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致香港投資者之通知：*發行人及擔保人(定義見下文)各自確認，債券(定義見下文)僅擬由專業投資者(定義見上市規則第37章)購買並已按該基準於香港聯合交易所有限公司上市。因此，發行人及擔保人各自確認，債券並不適合香港散戶投資者作投資用途。投資者應仔細考慮有關風險。*

刊發發售通函

鐵建華源有限公司

(根據公司條例在香港註冊成立的有限公司)

*(「**發行人**」)*

於2036年到期人民幣2,300,000,000元2.10%有擔保債券

(股份代號：85184)

由

中国铁建

中國鐵建股份有限公司

China Railway Construction Corporation Limited

(於中華人民共和國註冊成立的股份有限公司)

(股份代號：1186)

*(「**擔保人**」)*

提供無條件且不可撤銷的擔保

本公告乃根據香港聯合交易所有限公司(「**聯交所**」)證券上市規則第37.39A條刊發。

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承董事會命
中國鐵建股份有限公司
董事長
戴和根

中國•北京
2026年9月30日

於本公告日期,中國鐵建股份有限公司的董事為:戴和根先生(董事長、執行董事)、裴岷山先生(總裁、執行董事)、陳志明先生(執行董事)、郜烈陽先生(非執行董事)、馬傳景先生(獨立非執行董事)、解國光先生(獨立非執行董事)、錢偉倫先生(獨立非執行董事)、王俊先生(獨立非執行董事)及朱霖女士(職工董事)。

於本公告日期,鐵建華源有限公司的董事為辛雄飛先生及鄭玉鎖先生。

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES OR TO ANY U.S. PERSONS. THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS OUTSIDE OF THE UNITED STATES.

UNLESS OTHERWISE SPECIFIED, REFERENCES TO "U.S. PERSONS" IN THIS DOCUMENT SHALL INCLUDE ANY PERSON THAT IS A U.S. PERSON AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND ANY PERSON THAT IS A UNITED STATES CITIZEN, LAWFUL PERMANENT RESIDENT ALIEN, ENTITY ORGANIZED UNDER THE LAWS OF THE UNITED STATES OR ANY JURISDICTION WITHIN THE UNITED STATES (INCLUDING FOREIGN BRANCHES), OR ANY PERSON IN THE UNITED STATES. REFERENCES TO "NON-U.S. PERSON" MEANS ANY PERSON OTHER THAN A U.S. PERSON.

IMPORTANT: You must read the following before continuing. The following applies to the offering circular (the "**Offering Circular**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

Restrictions: The Offering Circular is being furnished in connection with an offering in offshore transactions to Non-U.S. Persons outside the United States in compliance with Regulation S under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein. **Only Non-U.S. Persons outside the United States are eligible to receive the Offering Circular. Recipients of the Offering Circular are reminded to ensure that they are not engaging in a prohibited transaction under the Executive Order 13959 (as amended by Executive Order 14032) (the "Executive Order") and associated subsequent guidance.**

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES (AS DEFINED IN THE OFFERING CIRCULAR) AND THE GUARANTEE THEREOF HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS AND SUCH TRANSACTION IS NOT PROHIBITED BY THE EXECUTIVE ORDER. THIS OFFERING IS MADE SOLELY TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT. IN ADDITION, THE NOTES ARE NOT OFFERED OR SOLD TO ANY UNITED STATES CITIZEN, UNITED STATES PERMANENT RESIDENT ALIEN, ENTITY ORGANIZED UNDER THE LAWS OF THE UNITED STATES OR ANY JURISDICTION WITHIN THE UNITED STATES (INCLUDING FOREIGN BRANCHES), OR ANY PERSON IN THE UNITED STATES.

THE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS OR TO ANY U.S. PERSON. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your representation: In order to be eligible to view the Offering Circular or make an investment decision with respect to the securities referred to in the Offering Circular, investors must be Non-U.S. Persons outside the United States in an offshore transaction in reliance on Regulation S under the Securities Act. The Offering Circular is being sent at your request and by accepting the e-mail and accessing the Offering Circular, you shall be deemed to have represented to us that (1) you are not (a) a U.S. Person as defined in the Executive Order as any "United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States", or a U.S. Person as defined in the Securities Act or (b) engaging the Joint Lead Managers (each as defined in the Offering Circular) to enter into any transactions for or on behalf of any U.S. Person and in respect of each transaction that any Joint Lead Manager or any of its subsidiaries/affiliates enters into with you, any of your subsidiaries/affiliates, any of your parent companies or any of their subsidiaries/affiliates which relates to the Offering Circular, such transaction shall not involve the participation of, or otherwise facilitate dealings with, any U.S. Person that is not authorised by the Executive Order; (2) you and any customers you represent are Non-U.S. Persons outside the United States and that the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories or possessions; and (3) that you consent to delivery of the Offering Circular and any amendments or supplements thereto by electronic transmission.

You are reminded that the Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver, circulate, forward or distribute the Offering Circular to any other person.

The materials relating to the offering of securities to which the Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation by or on behalf of any of the Issuer, the Guarantor or the Joint Lead Managers in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the underwriters or any affiliate of the underwriters is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Guarantor, the Joint Lead Managers or any person who controls a Joint Lead Manager, nor any director, officer, employee nor agent of each of the Joint Lead Managers, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

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CRCC HUAYUAN LIMITED
(鐵建華源有限公司)

(incorporated in Hong Kong with limited liability)

CNY2,300,000,000 2.10 per cent. Guaranteed Notes due 2036

unconditionally and irrevocably guaranteed by

CHINA RAILWAY CONSTRUCTION CORPORATION LIMITED

(incorporated in the People's Republic of China with limited liability)

Issue Price: 100.0 per cent.

The CNY2,300,000,000 2.10 per cent. Guaranteed Notes due 2036 (the "**Notes**") will be issued by CRCC Huayuan Limited (鐵建華源有限公司) (the "**Issuer**"). The Notes will be unconditionally and irrevocably guaranteed (the "**Guarantee of the Notes**") by China Railway Construction Corporation Limited (the "**Company**" or the "**Guarantor**"). The Guarantor will enter into a deed of guarantee (the "**Deed of Guarantee**") on or around the Issue Date (as defined below) in respect of the Notes. The Guarantor is a joint stock limited company incorporated in the People's Republic of China with limited liability and is listed on both the main board of the Shanghai Stock Exchange (Stock Code: 601186) and the main board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (Stock Code: 01186). References to the "Terms and Conditions of the Notes" are to the terms and conditions of the Notes.

The Notes are in registered form in the denomination of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof.

The Notes will bear interest from and including 29 September 2026 (the "**Issue Date**") at the rate of 2.10 per cent. per annum. Interest on the Notes is payable semi-annually in arrear on 29 March and 29 September in each year, commencing on 29 March 2027.

The Notes will constitute direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Guarantee of the Notes will constitute a direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured obligation of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Pursuant to the Administrative Measures for the Examination and Registration of Mid- to Long-Term Foreign Debt of Enterprises (NDRC Order No. 56) (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)) promulgated by the National Development and Reform Commission of the PRC (the "**NDRC**") on 5 January 2023 and came into effect on 10 February 2023 (the "**NDRC Foreign Debt Measures**"), the Issuer has registered the issuance of the Notes with the NDRC and has obtained a certificate from the NDRC on 23 October 2025 evidencing such registration and will undertake under the Terms and Conditions of the Notes to file the requisite information and documents with the NDRC within the time period prescribed by NDRC or under the NDRC Foreign Debt Measures after the issue of the Notes.

The Guarantor will (i) file or cause to be filed with the State Administration of Foreign Exchange or its local branch ("**SAFE**") in accordance with the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014 ("**Cross-Border Guarantee Provisions**"), and any implementation rules as issued by SAFE from time to time, (ii) use its best endeavours to complete the Cross-Border Guarantee Provisions and obtain a registration record (or any other document evidencing the completion of registration issued by SAFE) from SAFE on or before the Registration Deadline (as defined in the Terms and Conditions of the Notes) and (iii) comply with all applicable PRC laws and regulations in relation to provision of the Guarantee of the Notes.

Payments on the Notes will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Hong Kong or the PRC (each, a "**Relevant Jurisdiction**") to the extent described in the Terms and Conditions of the Notes.

Application will be made to The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") for the listing of, and permission to deal in, the Notes by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) ("**Professional Investors**") only. This document is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and the Guarantor confirm that the Notes are intended for purchase by Professional Investors only and will be listed on the Hong Kong Stock Exchange on that basis. Accordingly, the Issuer and the Guarantor confirm that the Notes are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The Hong Kong Stock Exchange has not reviewed the contents of this document, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this document to Professional Investors only have been reproduced in this document. Listing of the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Notes or the Issuer, the Guarantor or the Group or quality of disclosure in this document. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

Unless previously redeemed, or purchased and cancelled, the Issuer will redeem the Notes at its principal amount on the Interest Payment Date (as defined in the Terms and Conditions of the Notes) falling on, or nearest to 29 September 2036. At any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (as defined in the Terms and Conditions of the Notes) (which notice shall be irrevocable), the Issuer may redeem the Notes in whole, but not in part, at their principal amount, together with interest accrued to, but excluding, the date fixed for redemption, in the event of certain changes affecting taxes of any Relevant Jurisdiction. At any time following the occurrence of a Relevant Event (as defined in the Terms and Conditions of the Notes), the Holder of any Note will have the right, at such Holder's option, to require the Issuer to redeem all but not some only of that Holder's Notes on the Put Settlement Date (as defined in the Terms and Conditions of the Notes) at 101 per cent. of their principal amount (in the case of redemption for a Change of Control Event (as defined in the Terms and Conditions of the Notes) or at 100 per cent. of their principal amount (in the case of redemption for a Non-Registration Event (as defined in the Terms and Conditions of the Notes)), in each case together with interest accrued up to, but excluding, such Put Settlement Date. The Notes may be redeemed at the option of the Issuer in whole, but not in part at any time on or after 29 August 2036, on giving not less than 30 nor more than 60 days' irrevocable notice to the Noteholders (in accordance with Condition 15 (*Notices*) of the Terms and Conditions of the Notes) and in writing to the Trustee and the CMU Lodging and Paying Agent (as defined in the Terms and Conditions of the Notes) at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption. See *"Terms and Conditions of the Notes — Redemption and Purchase"*.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 19 for a description of certain factors to be considered in connection with an investment in the Notes.

The Notes and the Guarantee of the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such transaction is not otherwise prohibited by the Executive Order. Accordingly, the Notes and the Guarantee of the Notes are being offered and sold only outside the United States to Non-U.S. Persons. Unless otherwise specified, references to "U.S. Persons" in this Offering Circular shall include any person that is a U.S. Person as defined in Regulation S under the Securities Act and any person that is a United States citizen, lawful permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any Person in the United States. References to "Non-U.S. Person" means any person other than a U.S. Person. For a description of these and certain restrictions on offers and sales of the Notes and the Guarantee of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*".

The Notes will be represented initially by interests in a global note certificate (the "**Global Note Certificate**") in registered form, which will be registered in the name of, and lodged with a sub-custodian for, the Hong Kong Monetary Authority ("**HKMA**") as operator (the "**Operator**") of the Central Moneymarkets Units Service (the "**CMU**") on the Issue Date. For persons seeking to hold a beneficial interest in the Notes through Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**", together with Euroclear and the CMU, the "**Clearing Systems**", each a "**Clearing System**"), such persons will hold their interests through an account opened and held by Euroclear or Clearstream (as the case may be) with the CMU. Beneficial interests in the Global Note Certificate will be shown on, and transfers thereof will be effected only through, records maintained by the CMU. Except as described in the Global Note Certificate, certificates for the Notes will not be issued in exchange for interests in the Global Note Certificate.

The Notes are expected to be rated "A3" by Moody's Investors Services ("**Moody's**"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The Guarantor is rated "A3" by Moody's and "A-" by S&P.

The Notes are being issued as "Green Notes" under the Green Finance Framework (as defined below) of the Issuer. See "Green Finance Framework" on page 78.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Huatai International	**ICBC**	**Bank of China (Hong Kong)**	**DBS Bank Ltd.**

Joint Lead Managers and Joint Bookrunners

ABC International	**China International Capital Corporation**	**OCBC**	**CMB International**	**CITIC Securities**	**China Construction Bank (Asia)**	**Bank of Communications**

Joint Green Structuring Advisers

Huatai International	**ICBC**

Offering Circular dated 21 September 2026

IMPORTANT NOTICE

The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong or elsewhere.

Investors are advised to exercise caution in relation to the offering of the Notes (the "**Offering**") described herein. If investors are in any doubt about any of the contents of this Offering Circular, they should obtain independent professional advice.

Each of the Issuer and the Guarantor, having made all reasonable enquiries, accepts full responsibility for the accuracy of the information contained in this Offering Circular and confirms that to the best of its knowledge and belief (i) this Offering Circular contains all information with respect to the Issuer, the Guarantor and the Guarantor's subsidiaries taken as a whole (collectively, the "**Group**"), the Notes and the Guarantee of the Notes which is material in the context of the issue and offering of the Notes (including all information which, according to the particular nature of the Issuer, the Guarantor, the Group, the Notes and the Guarantee of the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Guarantor, the Group and of the rights attaching to the Notes and the Guarantee of the Notes), (ii) the statements contained in this Offering Circular relating to the Issuer, the Guarantor, the Group, the Notes and the Guarantee of the Notes are in all material respects true and accurate and not misleading, (iii) the opinions and intentions relating to the Issuer, the Guarantor and the Group expressed in this Offering Circular are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other material facts relating to the Issuer, the Guarantor, the Group, the Notes and the Guarantee of the Notes the omission of which would, in the context of the issue and offering of the Notes and the giving of the Guarantee of the Notes, make any statement in this Offering Circular, in light of the circumstances under which they were made, misleading, (v) all statistical, industry and market-related data included in this Offering Circular are derived from sources which are accurate and reliable, (vi) all reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements and (vii) all descriptions of contracts or other material documents described in this Offering Circular are accurate description in all material respects and fairly summarise the contents of such contracts or documents.

This Offering Circular has been prepared by the Issuer and the Guarantor solely for use in connection with the proposed offering of the Notes described in this Offering Circular. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Guarantor and Huatai Financial Holdings (Hong Kong) Limited, ICBC International Securities Limited, Bank of China (Hong Kong) Limited, DBS Bank Ltd., ABCI Capital Limited, China International Capital Corporation Hong Kong Securities Limited, Oversea-Chinese Banking Corporation Limited, CMB International Capital Limited, CLSA Limited, China Construction Bank (Asia) Corporation Limited and Bank of Communications Co., Ltd. Hong Kong Branch (together, the "**Joint Lead Managers**", and each a "**Joint Lead Manager**"), the Trustee and the Agents (each as defined in the "*Terms and Conditions of the Notes*") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Notes or the possession or distribution of this Offering Circular or any offering or publicity material relating to the Notes in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Notes, the Guarantor giving the Guarantee of the Notes and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith. For a description of certain further restrictions on offers, sales and resales of the Notes and the distribution of this Offering Circular, see "*Subscription and Sale*". This Offering Circular does not constitute an offer of, or an invitation to purchase, any of the Notes in any jurisdiction in which such offer or invitation would be unlawful. By purchasing the Notes, investors represent and agree to all of those provisions contained in that section of this Offering Circular. Each of the Issuer, the Guarantor, the Joint Lead Managers and their respective affiliates, reserves the right to reject any offer to purchase the Notes, in whole or in part, for any reason.

No person has been or is authorised in connection with the issue, offer or sale of the Notes to give any information or to make any representation concerning the Issuer, the Guarantor, the Group, the Notes or

the Guarantee of the Notes other than as contained herein and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor, the Group, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them. Neither the delivery of this Offering Circular nor any offering, sale or delivery made in connection with the issue of the Notes shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Guarantor or the Group, or any of them since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof. This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them to subscribe for or purchase, any of the Notes and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

This Offering Circular is being furnished by the Issuer and the Guarantor in connection with the offering of the Notes exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider purchasing the Notes. Investors must not use this Offering Circular for any other purpose, make copies of any part of this Offering Circular or give a copy of it to any other person, or disclose any information in this Offering Circular to any other person. The information contained in this Offering Circular has been provided by the Guarantor and other sources identified in this Offering Circular. Any reproduction or distribution of this Offering Circular, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Notes offered by this Offering Circular is prohibited. **Only Non-U.S. Persons outside the United States are eligible to receive this Offering Circular. Recipients of this Offering Circular are reminded to ensure that they are not engaging in a prohibited transaction under the Executive Order and associated subsequent guidance. Each offeree of the Notes, by accepting delivery of this Offering Circular, agrees to the foregoing and is deemed to have represented to the Issuer, the Guarantor, the Joint Lead Managers, the Trustee and the Agents and their respective directors, advisors and affiliates that (i) such offeree and any customers it represents are Non-U.S. Persons outside the United States and therefore not (a) a U.S. Person as defined in the Executive Order as any "United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States", or a U.S. Person as defined in the Securities Act or (b) engaging the Joint Lead Managers, the Trustee or any Agent to enter into any transactions for or on behalf of any U.S. Person and (ii) in respect of each transaction that any Joint Lead Manager or any of its subsidiaries/affiliates enters into with such offeree or any customer it represents, any of their respective subsidiaries/affiliates, any of their respective parent companies or any of their subsidiaries/affiliates which relates to this Offering Circular or any Note, such transaction shall not involve the participation of, or otherwise facilitate dealings with, any U.S. Person that is not authorised by the Executive Order.**

No representation or warranty, express or implied, is made or given by the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them as to the accuracy, completeness or sufficiency of the information contained in this Offering Circular or any other information supplied in connection with the Notes, and nothing contained in this Offering Circular is, or shall be relied upon as, a promise, representation or warranty by Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them. The Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers, employees, representatives, agents and advisers and persons who control any of them have not independently verified any of the information contained in this Offering Circular and can give no assurance that this information is accurate, truthful or complete.

To the fullest extent permitted by law, none of the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them accepts any responsibility for the contents of this Offering Circular or any statement made or purported to be made by any such person or on its behalf in connection with the Issuer, the Group or the issue and offering of the Notes. Each of the Joint Lead Managers, the Trustee, the Agents and their respective affiliates, directors, officers, employees, representatives, agents and advisers and persons who control any of them accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Offering Circular or any such statement. None of the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them undertakes to review the financial condition or affairs of the Issuer, the Guarantor or the Group for so long as the Notes remain outstanding nor to advise any investor or potential investor of the Notes of any information coming to the attention of any of the Joint Lead Managers, the Trustee, the Agents or their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them.

This Offering Circular is not intended to provide the basis of any credit or other evaluation, nor should it be considered as a recommendation by the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective directors, officers, employees, representatives, agents or advisers or any person who controls any of them that any recipient of this Offering Circular should purchase the Notes. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

This Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the purpose of giving information with regard to the Issuer, the Guarantor and the Group. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Offering Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Offering Circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offering Circular.

Investors are advised to read and understand the contents of this Offering Circular before investing. If in doubt, investors should consult his or her adviser.

The Issuer and the Guarantor are making the offering in reliance upon exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering. For a further description of certain restrictions on the offering and sale of the Notes, see "*Subscription and Sale*".

IN CONNECTION WITH THE ISSUE OF THE NOTES, ANY OF THE JOINT LEAD MANAGERS APPOINTED AND ACTING IN ITS CAPACITY AS STABILISATION MANAGER (THE "STABILISATION MANAGER"), OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER, MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISATION MANAGE(S) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Listing of the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Guarantor, the Group or the Notes. In making an investment decision, investors must rely on their own examination of the Issuer, the Guarantor and the Group and the terms of the offering of the Notes, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Notes. The Issuer, the Guarantor, the Group, the Joint Lead Managers, the Trustee and the Agents and their respective affiliates, directors, officers, employees, representatives, agents and advisers and persons who control any of them are not making any representation to any purchaser of Notes regarding the legality of any investment in the Notes by such purchaser under any legal investment or similar laws or regulations. The contents of this Offering Circular should not be construed as providing legal, business, accounting or investment advice. Each person receiving this Offering Circular acknowledges that such person has not relied on the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them in connection with its investigation of the accuracy of such information or its investment decision.

Market data and certain industry forecasts and statistics in this Offering Circular have been obtained from both public and private sources, including market research, publicly available information and industry publications. Although the Issuer and the Guarantor believe this information to be reliable, it has not been independently verified by the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or any of their respective affiliates, directors, officers, employees, representatives, agents or advisers or any person who controls any of them, and none of the Issuer, the Guarantor, the Joint Lead Managers, the Trustee or the Agents or their respective affiliates, directors, officers, employees, representatives, agents and advisers and persons who control any of them makes any representation as to the accuracy or completeness of that information. In addition, third party information providers may have obtained information from market participants and such information may not have been independently verified. This Offering Circular summarises certain documents and other information, and investors should refer to them for a more complete understanding of what is discussed in those documents.

None of the Joint Lead Managers makes any representation as to the suitability of any Notes to fulfil any green, environmental or sustainability criteria required by any prospective investors. Investors should refer to the Green Finance Framework (as defined herein) which the Issuer may publish from time to time, the Second Party Opinion (as defined herein) delivered in respect thereof, and any public reporting by or on behalf of the Issuer or the Guarantor in respect of the application of the proceeds of the Notes for further information. Any such sustainability framework and/or second party opinion and/or public reporting will not be incorporated by reference in this Offering Circular and none of the Joint Lead Managers makes any representation as to the suitability or contents thereof.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to Prospective Investors: Prospective investors should be aware that certain intermediaries in the context of this offering of the Notes, including certain Joint Lead Managers, are "capital market intermediaries" (the "**CMIs**") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "**SFC Code**"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (the "**OCs**") for this offering and are subject to additional requirements under the SFC Code.

Prospective investors who are the directors, employees or major shareholders of the Issuer or the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association ("**Association**") with the Issuer, the Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the Notes and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to this offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to this offering, such order is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). If a prospective investor is an asset management arm affiliated with any Joint Lead Manager, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the Joint Lead Manager or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to this offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any Joint Lead Manager, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Joint Lead Manager when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to this offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to this offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the Joint Lead Managers and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for this offering. Failure to provide such information may result in that order being rejected.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes "forward-looking statements". All statements other than statements of historical fact contained in this Offering Circular, including, without limitation, those regarding the Company's and the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets, future developments in the markets where the Company or the Group participates or is seeking to participate, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "will", "may", "anticipate", "seek", "should", "estimate" or similar expressions or the negatives thereof, are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company's or the Group's control, which may cause its actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the Company's and the Group's present and future business strategies and the environment in which the Company or the Group will operate in the future. Important factors that could cause the Company's or the Group's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the following:

- industry risks;
- general economic, political, social conditions and developments in China;
- the Group's business and operating strategies;
- the Group's capital expenditure plans;
- various business opportunities that the Group may pursue;
- the Group's operations and business prospects;
- the Group's financial condition and results of operations;
- fluctuation in price and availability of raw materials;
- availability and charges of bank loans and other forms of financing;
- changes in competitive conditions and its ability to compete under these conditions;
- changes in currency exchange rates; and
- other factors beyond the Group's control.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in "*Risk Factors*" and elsewhere in this Offering Circular. The Issuer and the Company caution investors not to place undue reliance on these forward-looking statements which reflect their managements' view only as at the date of this Offering Circular. Neither the Issuer nor the Company undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offering Circular might not occur.

PRESENTATION OF FINANCIAL INFORMATION

The Guarantor

The audited consolidated financial information of the Guarantor as at and for the years ended 31 December 2023 and 2024 included in this Offering Circular have been extracted from the audited consolidated financial statements of the Guarantor as at and for the year ended 31 December 2024 (the "**2024 Audited Financial Statements**") included elsewhere in this Offering Circular. The audited consolidated financial information of the Guarantor as at and for the year ended 31 December 2025 included in this Offering Circular have been extracted from the audited consolidated financial statements of the Guarantor as at and for the year ended 31 December 2025 (the "**2025 Audited Financial Statements**") included elsewhere in this Offering Circular. The 2024 Audited Financial Statements and the 2025 Audited Financial Statements (collectively, the "**Audited Financial Statements**") have been prepared and presented in accordance with the Accounting Standards for Business Enterprises and other relevant provisions issued and revised from time to time by the Ministry of Finance of the PRC ("**PRC GAAP**"). The 2024 Audited Financial Statements have been audited by Deloitte Touche Tohmatsu CPA LLP ("**Deloitte**"). The 2025 Audited Financial Statements have been audited by Ernst & Young Hua Ming LLP ("**Ernst & Young**").

This Offering Circular includes unaudited but reviewed consolidated financial information of the Guarantor as at and for the six months ended 30 June 2025 and 2026 which has been extracted from and should be read in conjunction with and is qualified in its entirety by reference to the unaudited but reviewed consolidated financial statements of the Guarantor as at and for the six months ended 30 June 2026 included elsewhere in this Offering Circular (the "**Reviewed Financial Statements**"). The Reviewed Financial Statements have been prepared and presented in accordance with PRC GAAP and have been reviewed by Ernst & Young.

The Reviewed Financial Statements have not been audited by the Group's independent accountants, or any other independent accountants. Such financial information should not be relied upon by potential investors to provide the same quality of information associated with information that has been subject to an audit. Consequently, none of the Joint Lead Managers, the Trustee, any Agent (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or their sufficiency for an assessment of, and potential investors must exercise caution when using such data to evaluate the Company's financial condition, results of operations and results. The Reviewed Financial Statements should not be taken as an indication of the expected financial condition, results of operations and results of the Company for the full financial year ending 31 December 2026.

Certain amounts and percentages included in this Offering Circular have been rounded. Accordingly, in certain instances, the sum of the numbers in a column may not exactly equal the total figure for that column.

PRC GAAP differs in certain material respects from the International Financial Reporting Standards ("**IFRS**"). For a discussion of certain differences between PRC GAAP and IFRS, see "*Description of Certain Differences between PRC GAAP and IFRS*".

The *Accounting Standards for Business Enterprises Interpretation No. 16 (the "**Interpretation No. 16**")* was issued by the Ministry of Finance on 30 November 2022, which stipulated the accounting treatment concerning the exemption of initial recognition of deferred income tax relating to multiple assets and liabilities arising from a single transaction.

Interpretation No. 16 revised the scope of deferred income tax initial recognition exemption in the *Accounting Standards for Business Enterprises Interpretation No. 18 — Income Tax, and specified that the temporary difference arising from the initial recognition* (other than in a business combination) of assets and liabilities in a single transaction that affect neither taxable profit nor accounting profit (or deductible tax losses) and at the time of the transaction giving rise to equal taxable and deductible temporary differences were not applied for the deferred income tax initial recognition exemption in *Accounting Standards for Business Enterprises Interpretation No. 18 — Income Tax*.

The Group has applied the Interpretation No. 16 retrospectively since 1 January 2023 to the individual transaction occurred between the beginning of the earliest comparative period presented and 1 January 2023, and financial statements of comparative periods have been restated.

The *Accounting Standards for Business Enterprises Interpretation No. 17* (the "**Interpretation No. 17**") and the *Accounting Standards for Business Enterprises Interpretation No. 18* (the "**Interpretation No. 18**") were issued by the Ministry of Finance on 25 October 2023 and 6 December 2024, respectively, and the Group is required to apply the relevant provisions in accordance with the effective dates of the Interpretation No. 17 and Interpretation No. 18.

Interpretation No. 17 stipulated the classification of current and non-current liabilities and the accounting treatment of leaseback transactions. This Interpretation became effective from 1 January 2024. After assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Interpretation No. 18 stipulated the accounting treatment of assurance-type warranties which are not separate performance obligations. The interpretation became effective from 6 December 2024, and the enterprise is allowed to implement it in advance from the year of release. The Group accounted for the assurance-type quality assurance in "selling and distribution expenses" and implemented the Interpretation in advance in 2024.

CERTAIN DEFINITIONS AND CONVENTIONS

Unless the context otherwise requires, references in this Offering Circular to "**Renminbi**", "**CNY**" and "**RMB**" are to the lawful currency of the PRC, "**U.S. dollars**", "**U.S.$**" and "**USD**" are to the lawful currency of the United States of America, "**Hong Kong dollars**", "**HK$**" and "**HKD**" are to the lawful currency of Hong Kong, the "**U.S.**" or "**US**" means the United States of America, the "**PRC**" and "**China**" mean the People's Republic of China which for the purpose of this Offering Circular excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan Region, "**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC, and "**Macau**" means the Macau Special Administrative Region of the PRC.

In this Offering Circular, where information has been presented in thousands, millions, or billions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding. References to information in billions of units are to the equivalent of a thousand million units.

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SUMMARY

The summary below is only intended to provide a limited overview of information described in more detail elsewhere in this Offering Circular. As it is a summary, it does not contain all of the information that may be important to investors and terms defined elsewhere in this Offering Circular shall have the same meanings when used in this summary. Prospective investors should therefore read this Offering Circular in its entirety, including the section entitled "Risk Factors", before making an investment decision.

OVERVIEW

Originally founded as the Railway Corps of the People's Liberation Army, the Company was formally established on 5 November 2007 with the Controlling Shareholder as the sole promoter approved by the State Council and the SASAC. The Company is one of the largest integrated construction companies globally. The Group was included among the "Top 250 Global Contractors" and "Top 150 Global Engineering Design Companies", by ENR, an American magazine, and ranked No. 3 and No. 24, respectively, in 2026. It was listed among the Fortune "Global 500" consecutively for 21 years, ranking No. 57 in 2026 and the Brand Finance Global 500, ranking No. 204 in 2026. In 2026, the Company ranked No. 9 in the global engineering brand value ranking and won the Special Invention Award and Gold Medal at the 51st Geneva International Exhibition of Inventions.

The Group operates a wide range of business, covering construction, planning, design and consultancy, manufacturing, real estate development, materials and logistics, investment, finance and other emerging industries. The Group has established its industry leadership in the fields of engineering design and construction for plateau railways, high speed railways, expressways, bridges, tunnels and urban rail transits. Over the years, the Group has constructed 50% of China's conventional and high-speed railways, 40% of urban rail transit, and 30% of high-grade roads. As at 30 June 2026, the Group operated and maintained over 7,000 kilometers of expressway, over 2,400 kilometers of railway tracks and approximately 460 kilometers of urban rail transit. The Group also operated eight port projects comprising 13.5 kilometers of navigation channels and 736 berths, nine wastewater treatment projects with an aggregate treatment capacity of 880,000 tonnes per day, and 16 urban utility tunnel projects with a total length of 133 kilometers. In addition, the Group manufactures equipment used in engineering and construction projects, provides logistics and materials trading services, and develops real estate projects. This allows the Group to provide extensive services and products covering scientific research, planning, survey, design, construction, supervision and management, maintenance, operation as well as investment and financing. As a result, the Group has upgraded itself from an established market leader in China to a global competitor in the industry of engineering design and construction specialising in plateau railways, high-speed railways, highways, bridges, tunnels and urban rail transits.

The Group is one of the strongest and largest-scale integrated construction groups in the world. It was included in the "Top 250 Global Contractors" by ENR, an American magazine, with a ranking of No. 3 in 2026. The Group has engaged in the metropolitan railway projects in almost all cities in China that have developed metropolitan railways. The Group is a pioneer in the survey, design and consultancy industry in China. The Group is also one of the largest manufacturers of large rail track maintenance machinery In 2025, China Railway Construction Heavy Industry Corporation Limited, a subsidiary of the Group, was selected as an Excellence-level Smart Factory by the Ministry of Industry and Information Technology. In 2025 and 2026, the Group continued to advance major domestic and overseas infrastructure projects, including the opening of the Baotou-Yinchuan High-Speed Railway, the completion of the track-laying works for the Western Railway Mineral Line in Algeria, the commencement of substantive construction of the China-Kyrgyzstan-Uzbekistan Railway and the construction of the Emirates Airlines aircraft maintenance hangar project in the UAE.

The Group has a strong R&D team with top-tier talents in China. It consists of, among others, two member of the Chinese Academy of Engineering, 10 National Survey and Design Masters, 11 national candidates of the "Bai Qian Wan Talents Project" and 310 experts who are recipients of special subsidies granted by the State Council. As at 31 December 2025, the Company has cumulatively received 90 National Prizes for Science and Technology, 167 Zhan Tianyou Civil Engineering Awards, 593 National High-Quality Projects Awards (including 52 Gold Awards), 184 Luban Prizes for China Construction and 6,499 engineering methods above provincial level. As at 31 December 2025, the Group cumulatively holds 43,536 valid patents.

The following table sets forth the breakdown of the Group's revenue by segment for the years/periods indicated:

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
	(RMB in millions)				
				(Unaudited)	
Construction operations	987,324.5	931,245.5	906,681.0	434,599.6	388,186.1
Planning, design and consultancy operations	18,754.0	18,024.3	16,916.3	6,743.2	6,358.1
Manufacturing operations	23,999.3	23,394.7	24,430.8	11,826.0	11,507.6
Real estate development operations	83,271.8	71,890.4	66,563.7	20,755.4	13,252.3
Other business operations	95,865.8	86,864.1	74,630.6	40,718.1	33,450.9
Inter-segment elimination	(71,221.9)	(64,247.7)	(59,437.9)	(25,443.2)	(24,317.1)
Total	**1,137,993.5**	**1,067,171.3**	**1,029,784.5**	**489,199.1**	**428,437.9**

The following table sets forth the breakdown of the Group's gross profit by segment for the years/periods indicated:

	For the year ended 31 December						For the six months ended 30 June			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)
							(Unaudited)			
Construction operations	87,614.0	8.87	81,454.3	8.75	75,225.9	8.30	32,277.3	7.43	30,052.8	7.74
Planning, design and consultancy operations	8,114.5	43.27	7,562.4	41.96	6,351.3	37.55	2,681.7	39.77	2,674.2	42.06
Manufacturing operations	5,237.9	21.83	5,228.8	22.35	5,122.0	20.97	2,504.1	21.17	2,149.1	18.68
Real estate development operations	10,166.7	12.21	7,851.3	10.92	5,727.2	8.60	2,008.3	9.68	803.3	6.06
Other business operations	7,613.8	7.94	7,965.0	9.17	8,053.6	10.79	4,016.9	9.87	4,342.1	12.98
Inter-segment elimination	(502.5)	–	(492.3)	–	(362.5)	–	(227.0)	–	(355.4)	–
Total	**118,244.4**	**10.40**	**109,569.5**	**10.27**	**100,117.5**	**9.72**	**43,261.3**	**8.84**	**39,666.1**	**9.26**

As at 31 December 2025, the Group had operations in 32 provinces, autonomous regions and municipalities in China as well as 150 countries and regions in the world. As at 31 December 2025, the Group had 11,741 projects under construction, 9,866 of which were located in the Chinese mainland while the other 1,875 were located abroad. The following table sets forth the Group's revenue by geographic regions for the years/periods indicated:

	For the year ended 31 December						For the six months ended 30 June			
	2023		2024		2025		2025		2026	
	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin
	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)
							(Unaudited)			
Chinese mainland	1,077,683.6	10.59	1,001,272.6	10.45	953,911.0	10.00	452,109.6	9.03	388,679.8	9.33
Overseas	60,309.9	6.87	65,898.7	7.49	75,873.5	6.20	37,089.5	6.53	39,758.1	8.52
Total	**1,137,993.5**	**10.40**	**1,067,171.3**	**10.27**	**1,029,784.5**	**9.72**	**489,199.1**	**8.84**	**428,437.9**	**9.26**

For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the Group's newly-signed contracts amounted to RMB3,293.9 billion, RMB3,037.0 billion, RMB3,076.5 billion and RMB878.2 billion, respectively. In 2025, domestic and overseas newly-signed contracts amounted to RMB2,713.2 billion and RMB363.3 billion, respectively, representing 88.2% and 11.8%, respectively, of the total newly-signed contract value. As at 31 December 2025, the Group's backlog was RMB4,506.0 billion. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the gross profit margin of the Group was 10.40 per cent., 10.27 per cent., 9.72 per cent. and 9.26 per cent., respectively. The total assets of the Group reached RMB2,166.8 billion as at 30 June 2026, representing an increase of RMB83.0 billion from that as at 31 December 2025.

The Company was established as a joint stock company with limited liability under PRC law on 5 November 2007 with a registered capital of RMB8.0 billion. As at 30 June 2026, the Controlling Shareholder, which is wholly owned by SASAC, held 51.23 per cent. of the shares of the Company. The Company was listed on the main board of the Shanghai Stock Exchange on 10 March 2008 and listed on the main board of the Hong Kong Stock Exchange on 13 March 2008. As at the date of this Offering Circular, the registered share capital of the Company is RMB13,579,541,500 divided into 13,579,541,500.0 ordinary shares of RMB1.0 par value each and its issued share capital is RMB13,579,541,500.0 consisting of 13,579,541,500 ordinary shares of RMB1.0 par value each.

The Group mainly conducts the following businesses:

- ***Construction operation***, the traditional and core business of the Group. The Group's construction operations mainly include railways, highways, rail transits, water conservancy and hydropower, housing construction, municipal engineering, bridges, tunnels, airports and wharves;

- ***Planning, design and consultancy***, services covering civil engineering and infrastructure construction related to railway, urban rail transits, highways, municipal administration, industrial and civil buildings, magnetic levitation, water transport, hydropower, airports and civil defense, with continuous efforts in expansion to emerging industries and areas, such as intelligent transport, modern tramcar, urban utility tunnel, urban underground space, ecological environment and environmental protection;

- ***Manufacturing***, a combination of research, manufacturing, sales and services with focus on three core areas, i.e. equipment manufacturing, material production and precast concrete production. After years of development, the Group has become a leading material and professional equipment manufacturing service provider with international advanced market position. The business scope covers large railway track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts;

- ***Real estate development***, including the development, construction and sale of residential and, to a lesser extent, other industrial real estate. The Group is among 16 state SASAC-owned enterprises which are specifically permitted to have real estate development as its principle business;

- ***Materials, logistics and other businesses***, including logistics, warehousing and distribution, spot trading and international trading, financial insurance, concession, mining resources development and railway operation and management.

COMPETITIVE STRENGTHS

The growth and development of the Group can be primarily attributed to the following competitive strengths:

- The Group is one of the world's strongest and largest-scale integrated construction groups, with numerous qualifications covering a complete chain of industry.

- The Group has long history in overseas operation with excellent achievements.

- The Group possesses numerous key technologies for its various core businesses and equips with technology self-development and innovation capabilities as well as advanced equipment.

- The Group has expanded into diversified businesses with market leadership in various segments and areas.

- The Group has diversified and dimensional channels of finance.

- The Group benefits from its experienced management team, capable professional technical talents and prestigious legacy, its widely-recognised brand name and excellent corporate culture.

BUSINESS STRATEGIES

The Group's vision is to become a world-class modern enterprise. Under its "1256" medium- and long-term development strategy, the Group aims to become a world-class modern enterprise by reinforcing and upgrading its traditional construction businesses and cultivating strategic emerging industries. While reinforcing and upgrading its traditional construction business at one end, the Group also plans to incubate and grow its businesses in emerging industries so as to develop five new areas of growth, namely, new infrastructure construction, new equipment, new material, new energy and new service. In order to achieve this goal, the Group will accelerate its transformation to high-end, intelligent, green, refined, digital and international operations. In particular, the Group intends to implement the following strategies.

- Continue to develop construction as its pillar business.

- Leverage the synergy of diversified business model of the Group to forge "high-quality CRCC" to achieve the goal of becoming a comprehensive construction industry group.

- Continue to strengthen its capability in research and development and foster new quality of productivity.

- Continue to pursue economic benefits from dual circulation and interaction between domestic and overseas operations to achieve high-quality overseas development.

THE OFFERING

The following summary contains some basic information about the Notes and is qualified in its entirety by the remainder of this Offering Circular. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Notes" shall have the same meanings in this summary. For a complete description of the terms of the Notes, see "Terms and Conditions of the Notes" in this Offering Circular.

Issuer	CRCC Huayuan Limited (鐵建華源有限公司)
Guarantor	China Railway Construction Corporation Limited
Notes	CNY2,300,000,000 2.10 per cent. Guaranteed Notes due 2036
Guarantee of the Notes	The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment in full of all sums in respect of the Notes.
Issue Price	100.0 per cent.
Form and Denomination	The Notes will be issued in registered form in the denominations of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof.
Interest	The Notes will bear interest from and including 29 September 2026 at the rate of 2.10 per cent. per annum, payable semi-annually in arrear on 29 March and 29 September in each year (each, an "**Interest Payment Date**") commencing on 29 March 2027, *provided that*, if any Interest Payment Date would otherwise fall on a day which is not a business day (as defined in the Terms and Conditions of the Notes), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding business day.
Issue Date	29 September 2026
Maturity Date	29 September 2036
Status of the Notes	The Notes constitute direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

Status of the Guarantee of the Notes	The Guarantee of the Notes constitutes a direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes) unsecured obligation of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Negative Pledge	The Notes will contain a negative pledge provision as further described in Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes.
Redemption at Maturity	Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to 29 September 2036, subject as provided in Condition 6 (*Payments*) of the Terms and Conditions of the Notes.
NDRC Filing	The Guarantor will undertake to: (a) file or cause to be filed with the NDRC the requisite information and documents within the prescribed time period in accordance with the Administrative Measures for the Examination and Registration of Medium- and Long-Term Foreign Debts of Enterprises (《企業中長期外債審核登記管理辦法》) issued by the NDRC and effective as at 10 February 2023, and any implementation rules as issued by the NDRC from time to time (the "**NDRC Post-issue Filing**") and comply with all applicable PRC laws and regulations in connection with the Notes; and (b) within ten PRC Business Days after submission of such NDRC Post-issue Filing (i) provide the Trustee with a certificate in English signed by any Authorised Signatory of the Guarantor confirming the submission of the NDRC Post-issue Filing and (ii) give notice to the Noteholders in accordance with Condition 15 (*Notices*) of the Terms and Conditions of the Notes.
SAFE Registration	The Guarantor will undertake to: (a) file or cause to be filed with SAFE for the registration of the Deed of Guarantee of the Notes in accordance with, and within the time period prescribed by, the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014 (the "**Cross-Border Guarantee Provisions**"), and any implementation rules as issued by SAFE from time to time;

(b) use its best endeavours to complete the Cross-Border Guarantee Provisions and obtain a registration record (or any other document evidencing the completion of registration issued by SAFE) from SAFE on or before the Registration Deadline;

(c) comply with all applicable PRC laws and regulations in relation to the provision of the Guarantee of the Notes; and

(d) within ten PRC Business Days after receipt of the registration record (or any other document evidencing the completion of registration issued by SAFE) from SAFE (i) provide the Trustee with a certificate signed by any Authorised Signatory of the Guarantor, confirming the completion of the Cross- Border Guarantee Provisions and (ii) give notice to the Noteholders confirming the completion of the Cross-Border Guarantee Provisions in accordance with Condition 15 (*Notices*) of the Terms and Conditions of the Notes.

Taxation . . . . . All payments of principal and interest in respect of the Notes and under the Guarantee of the Notes by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Hong Kong or the PRC or any jurisdiction in which the Issuer and the Guarantor, respectively, is incorporated or any jurisdiction of residence for tax purposes of the Issuer and the Guarantor, respectively (each, a "**Relevant Jurisdiction**") or any political subdivision or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is as required by law.

Where such withholding or deduction is required by law and is made by the Issuer or the Guarantor as a result of the Issuer or the Guarantor being deemed to be a PRC tax resident by or on behalf of the PRC or any political subdivision thereof or authority therein or thereof having power to tax at the rate applicable on 21 September 2026 (the "**Applicable Rate**"), the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

	In the event the Issuer or the Guarantor is required to make a deduction or withholding (i) by or on behalf of the PRC or any political subdivision thereof or authority therein or thereof having power to tax in excess of the Applicable Rate; or (ii) by or within any Relevant Jurisdiction or any political subdivision thereof or authority therein or thereof having power to tax except the PRC, the Issuer or the Guarantor, as the case may be, shall pay such additional amounts (the "**Additional Tax Amount**") as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts referred to in Condition 7 (*Taxation*) of the Terms and Conditions of the Notes shall be payable in respect of any Notes in the limited circumstances as further described therein.
Redemption for Tax Reasons . . .	The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with the Terms and Conditions of the Notes (which notice shall be irrevocable) and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that (i) (A) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 7 (*Taxation*) of the Terms and Conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 September 2026; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or (ii) (A) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) of the Terms and Conditions of the Notes or the Guarantee of the Notes, as the case may be, as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 September 2026; and (B) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it, provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such Additional Tax Amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Redemption for a Relevant Event	At any time following the occurrence of a Relevant Event (as defined in the Terms and Conditions of the Notes), the Holder of any Note will have the right, at such Holder's option, to require the Issuer to redeem all but not some only of that Holder's Note on the Put Settlement Date (as defined in the Terms and Conditions of the Notes) at 101 per cent. of their principal amount (in the case of a redemption for a Change of Control Event (as defined in the Terms and Conditions of the Notes)) or at 100 per cent. of their principal amount (in the case of a redemption for a Non-Registration Event (as defined in the Terms and Conditions of the Notes)), in each case together with interest accrued up to, but excluding, such Put Settlement Date, as further described in Condition 5(c) (*Redemption for a Relevant Event*) of the Terms and Conditions of the Notes.
Redemption at the Option of the Issuer	The Notes may be redeemed at the option of the Issuer in whole, but not in part at any time on or after 29 August 2036, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) of the Terms and Conditions of the Notes and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption.
Events of Default	Upon the occurrence of certain events as described in Condition 8 (*Events of Default*) of the Terms and Conditions of the Notes, the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution (as defined in the Terms and Conditions of the Notes), shall (subject to the Trustee having been indemnified and/or pre-funded and/or provided with security to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality. See "*Terms and Conditions of the Notes — Events of Default*".
Cross-default of Issuer, Guarantor or Subsidiary	The Notes will contain a cross-default provision as further described in Condition 8(c) (*Events of Default — Cross-default of Issuer, Guarantor or Subsidiary*) of the Terms and Conditions of the Notes.

Clearing Systems	The Notes will be represented initially by beneficial interests in a Global Note Certificate, which will be registered in the name of, and lodged with a sub-custodian for, the HKMA as Operator of the CMU. Beneficial interests in the Global Note Certificates will be shown on, and transfers thereof will be effected only through, records maintained by the CMU. For persons seeking to hold a beneficial interest in the Notes through Euroclear and Clearstream, such persons will hold their interest through an account opened and held by Euroclear or Clearstream (as the case may be) with the CMU. Except as described in the Global Note Certificate, definitive certificates will not be issued in exchange for beneficial interests in the Global Note Certificate.
Clearance and Settlement	The Notes have been accepted for clearance by the CMU under the following codes: CMU Instrument Number: BOAKFN26045 ISIN: HK0001358099 Common Code: 350460187
LEI Code	The Issuer's Legal Entity Identifier is: 836800BREZFJQXIMMH20.
Governing Law	English Law
Trustee, CMU Lodging and Paying Agent, Registrar and Transfer Agent	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Listing	Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only.
Selling Restrictions	The Notes will not be registered under the Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale. See "*Subscription and Sale*".
Ratings	The Notes are expected to be rated "A3" by Moody's. Security ratings are not recommendations to buy, sell or hold the Notes. Ratings are subject to revision or withdrawal at any time by the rating agency.
Use of Proceeds	See "*Use of Proceeds*".
Green Finance Framework	The Notes are being issued as "Green Notes" under the Issuer's Green Finance Framework. See "*Green Finance Framework*".

SELECTED CONSOLIDATED FINANCIAL INFORMATION OF THE COMPANY

The consolidated financial information of the Company as at and for the years ended 31 December 2023, 2024 and 2025 included in this Offering Circular have been extracted from the Audited Financial Statements. The consolidated financial information of the Company as at and for the six months ended 30 June 2025 and 2026 included in this Offering Circular have been extracted from the Reviewed Financial Statements. The Audited Financial Statements have been prepared and presented in accordance with PRC GAAP. The 2024 Audited Financial Statements have been audited by Deloitte. The 2025 Audited Financial Statements have been audited by Ernst & Young. The Reviewed Financial Statements have been prepared and presented in accordance with PRC GAAP and have been reviewed by Ernst & Young. Historical results of the Company are not necessarily indicative of results to be expected for any future periods.

The Reviewed Financial Statements have not been audited by Ernst & Young or any other independent auditors. Consequently, the Reviewed Financial Statements should not be relied upon by prospective investors to provide the same quality of information associated with information that has been subject to an audit. Consequently, none of the Joint Lead Managers, the Trustee, the Agents (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or their sufficiency for an assessment of, and potential investors must exercise caution when using such data to evaluate the Company's financial condition, results of operations and results. The Reviewed Financial Statements should not be taken as an indication of the expected financial condition, results of operations and results of the Company for the full financial year ending 31 December 2026.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME*

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
	(restated)				
			(RMB'000)		
				(Unaudited)	
Revenue	**1,137,993,486**	**1,067,171,337**	**1,029,784,460**	**489,199,045**	**428,437,974**
Less: Cost of sales	1,019,749,051	957,601,788	929,666,968	445,937,731	388,771,945
Taxes and surcharges	4,296,937	3,629,371	4,034,352	1,473,526	1,477,214
Selling and distribution expenses	7,311,902	6,836,126	6,411,982	2,712,168	2,270,273
General and administrative expenses	23,466,318	22,328,601	20,138,345	9,239,703	7,878,318
Research and development expenses	26,725,454	25,713,270	23,595,966	7,516,476	6,172,996
Finance costs	4,661,449	7,946,298	10,971,557	4,265,445	6,499,488
Including: Interest expenses	7,459,090	9,635,257	13,072,638	5,795,407	6,552,914
Interest income	4,216,238	3,767,214	3,935,705	1,826,595	2,144,021
Add: Other income	954,634	741,116	814,830	326,480	318,160
Investment losses	(4,229,965)	(1,295,737)	578,288	(711,457)	581,684
Including: Share of profit (losses) associates and joint ventures	564,987	(380,154)	(137,354)	(532,139)	851,591
Losses from derecognition of financial assets measured at amortised cost	(5,563,839)	(1,808,684)	(1,864,596)	(738,859)	(1,097,724)
Losses on fair value changes	(643,564)	(1,466,842)	(1,051,153)	(193,134)	(475,349)
Impairment losses on assets	(3,461,187)	(3,038,039)	(3,808,248)	(756,672)	(2,620,785)
Impairment of credit losses	(6,480,044)	(6,058,228)	(5,111,529)	(1,649,073)	(1,193,415)
Gains on disposal of assets	671,460	285,074	391,079	49,040	111,829

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
	(restated)				
			(RMB'000)		
				(Unaudited)	
Operating profit	**38,593,709**	**32,283,227**	**26,778,557**	**15,119,180**	**12,089,864**
Add: Non-operating income	980,751	949,842	1,012,472	602,415	371,809
Less: Non-operating expenses	746,308	758,360	858,052	368,141	359,274
Profit before tax	38,828,152	32,474,709	26,932,977	15,353,454	12,102,399
Less: Income tax expenses	6,499,423	5,396,332	5,246,132	2,791,503	2,581,913
Net profit	**32,328,729**	**27,078,377**	**21,686,845**	**12,561,951**	**9,520,486**
Classified by the continuity of operation					
Net profit from continuing operations	32,328,729	27,078,377	21,686,845	12,561,951	9,520,486
Net profit from discontinued operations	–	–	–	–	–
Classified by the ownership					
Net profit attributable to owners of the Company	26,096,971	22,215,074	18,362,618	10,701,474	8,689,842
Net profit attributable to non-controlling interests	6,231,758	4,863,303	3,324,227	1,860,477	830,644
Other comprehensive income/(expense), net of tax					
Other comprehensive income/(expense) attributable to owners of the Company, net of tax	363,575	(433,061)	30,179	(351,266)	128,040
Other comprehensive (expense)/income not to be reclassified to profit or loss					
Changes in fair value of other equity instrument investments	(41,838)	594,560	170,610	(80,448)	145,855
Others	(878)	895	(262)	–	–
Other comprehensive income/(expense) to be reclassified to profit or loss					
Shares of other comprehensive income/(expense) that will be reclassified subsequently into profit or loss by the investee under equity method	192,843	61,728	(171,691)	(86,353)	(16,003)
Changes in fair value of other debt investments	16,243	(6,237)	3,219	(894)	73,591
Exchange differences on translation of foreign operations	191,747	(1,079,884)	(131,384)	(184,738)	(76,070)
Changes in fair value of receivables at fair value through other comprehensive income ("**FVTOCI**")	5,458	(4,123)	159,687	1,167	667
Other comprehensive income/(expense) attributable to non-controlling interests, net of tax	11,950	66,208	(10,894)	(22,529)	40,243
Total comprehensive income	32,704,254	26,711,524	21,706,130	12,188,156	9,688,769
Including:					
Total comprehensive income attributable to owners of the Company	26,460,546	21,782,013	18,392,797	10,350,208	8,817,882
Total comprehensive income attributable to non-controlling interests	6,243,708	4,929,511	3,313,333	1,837,948	870,887
Earnings per share:					
Basic earnings per share *(RMB/share)*	1.73	1.46	1.18	0.70	0.55
Diluted earnings per share *(RMB/share)*	1.73	1.46	1.18	0.70	0.55

* *The figures for the year ended 31 December 2023 in display are restated.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE COMPANY*

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	(RMB'000)			(Unaudited)
ASSETS				
Current assets				
Cash and bank balances	166,957,837	185,703,115	191,922,113	168,252,299
Held-for-trading financial assets	1,629,785	1,533,116	1,006,287	1,190,551
Bills receivable	3,229,041	3,225,444	2,829,089	2,111,297
Receivables at FVTOCI	2,723,520	1,644,048	1,129,124	1,013,545
Trade receivables	155,809,067	204,759,238	241,023,952	266,813,336
Advances to suppliers	21,712,629	23,110,034	24,114,586	27,148,966
Other receivables	56,902,615	65,825,415	69,962,041	77,769,586
Inventories	307,642,792	286,116,358	265,926,559	267,335,568
Contract assets	291,782,104	304,749,626	374,351,764	409,358,436
Held-for-sale assets	–	–	–	–
Current portion of non-current assets	29,531,809	32,284,851	35,879,799	33,195,910
Other current assets	26,831,432	35,023,530	36,536,468	34,955,912
Total current assets	**1,064,752,631**	**1,143,974,775**	**1,244,681,782**	**1,289,145,406**
Non-current assets				
Loans and advances to customers	1,686,305	1,140,201	1,404,711	1,222,966
Long-term receivables	109,859,078	142,506,358	163,638,942	169,446,117
Long-term equity investments	149,278,357	153,984,400	149,283,280	150,926,728
Debt investments	6,016,176	3,881,575	3,245,926	3,202,548
Other debt investments	5,115,845	–	3,580,132	5,114,832
Other non-current financial assets	10,287,149	11,376,122	12,829,724	12,450,585
Other equity instrument investments	12,575,571	13,167,797	14,084,269	14,721,163
Investment properties	11,399,446	15,981,833	16,643,139	16,913,753
Fixed assets	73,269,486	73,028,467	72,919,328	70,869,818
Construction in progress	5,810,715	6,812,863	9,027,327	10,871,012
Right-of-use assets	7,140,700	7,504,478	10,593,356	9,973,254
Intangible assets	69,736,458	117,002,389	170,227,982	181,966,467
Development expenditure	15,472	49,027	45,902	47,523
Goodwill	55,617	49,762	49,762	49,762
Long-term prepayments	852,730	1,103,965	1,124,073	1,141,091
Deferred tax assets	11,211,912	12,152,500	13,628,948	14,114,148
Other non-current assets	123,955,930	159,126,010	196,816,626	214,611,588
Total non-current assets	**598,266,947**	**718,867,747**	**839,143,427**	**877,643,355**
TOTAL ASSETS	**1,663,019,578**	**1,862,842,522**	**2,083,825,209**	**2,166,788,761**

	As at 31 December			As at 30 June
	2023	2024	2025	2026
	(RMB'000)			(Unaudited)
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Short-term loans	81,839,758	150,142,693	168,869,472	223,833,277
Due to customers	1,356,691	2,051,298	1,872,095	1,705,376
Bills payable	53,461,242	41,316,625	37,124,169	28,960,987
Trade payables	491,567,214	512,813,640	591,387,684	574,570,431
Advances from customers	233,083	372,439	479,084	538,430
Contract liabilities	150,196,302	141,649,350	121,005,490	125,818,171
Employee benefits payable	16,117,433	16,048,846	17,166,652	14,552,379
Taxes payable	9,059,277	8,138,705	8,131,350	5,972,485
Other payables	106,058,137	120,304,020	124,655,919	135,498,976
Current portion of non-current liabilities	54,468,518	76,507,103	87,742,018	89,024,117
Other current liabilities	33,694,786	43,409,640	52,932,036	44,372,004
Total current liabilities	**998,052,441**	**1,112,754,359**	**1,211,365,969**	**1,244,846,633**
Non-current liabilities				
Long-term loans	165,621,478	235,062,620	335,750,413	379,632,737
Bonds payable	31,031,549	32,720,483	39,335,327	35,819,063
Lease liabilities	4,080,407	4,197,035	6,121,161	5,887,948
Long-term payables	41,263,172	49,835,673	58,165,756	53,719,539
Long-term employee benefits payable	65,376	53,619	46,746	45,178
Provisions	1,449,484	1,628,540	2,324,495	2,421,591
Deferred income	1,012,593	1,130,936	1,208,861	1,187,418
Deferred tax liabilities	2,008,603	1,979,263	1,632,453	1,764,166
Other non-current liabilities	1,314,702	883,172	919,173	588,369
Total non-current liabilities	**247,847,364**	**327,491,341**	**445,504,385**	**481,066,009**
Total liabilities	**1,245,899,805**	**1,440,245,700**	**1,656,870,354**	**1,725,912,642**
Shareholders' equity				
Share capital	13,579,542	13,579,542	13,579,542	13,579,542
Other equity instruments	59,463,430	64,167,509	66,120,975	72,322,256
Capital reserve	48,847,173	47,964,063	46,116,801	46,022,626
Other comprehensive income	(667,494)	(1,305,778)	(1,308,742)	(1,515,055)
Special reserve	–	–	–	–
Surplus reserve	6,789,771	6,789,771	6,789,771	6,789,771
Retained earnings	181,825,095	197,055,973	208,988,093	212,757,891
Total equity attributable to owners of the Company	**309,837,517**	**328,251,080**	**340,286,440**	**349,957,031**
Non-controlling interests	107,282,256	94,345,742	86,668,415	90,919,088
Total shareholders' equity	**417,119,773**	**422,596,822**	**426,954,855**	**440,876,119**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,663,019,578**	**1,862,842,522**	**2,083,825,209**	**2,166,788,761**

DEFINITIONS

In this Offering Circular, unless the context otherwise requires, the following expressions shall have the following meanings.

"**14th Five-year Plan**"	the Fourteenth Five-year Plan Guidance for National Economic and Social Development of the PRC
"**15th Five-Year Plan**"	the Fifteenth Five-year Plan Guidance for National Economic and Social Development of the PRC
"**Board of Directors**" or "**Board**" .	board of directors of the Company
"**CCECC**"	China Civil Engineering Construction Corporation, a wholly-owned subsidiary of the Company
"**Company**" or "**Guarantor**"	China Railway Construction Corporation Limited
"**Controlling Shareholder**"	China Railway Construction Corporation, the controlling shareholder of the Company
"**CRC**"	China Railway Corporation
"**Director(s)**"	director(s) of the Company
"**EIT Law**"	the Enterprise Income Tax Law of the PRC as amended on 29 December 2018
"**ENR**"	Engineering News Record
"**Group**"	the Company and its subsidiaries and where the context requires, its predecessor(s)
"**Holder**"	a holder of the Notes
"**IFRS**"	the International Financial Reporting Standards, which include standards and interpretations promulgated by the International Accounting Standards Board (IASB), and the International Accounting Standards (IAS) and interpretation issued by the International Accounting Standards Committee (IASC)
"**IIT Law**"	the Individual Income Tax Law of the PRC as amended on 31 August 2018 (came into effect on 1 January 2019)
"**MOF**"	Ministry of Finance of the PRC

"**MOR**"	the former Ministry of Railways of the PRC. In the first meeting of the 12th National People's Congress of the PRC held on 14 March 2013, the "Plan on Institutional Reform and Transformation of Government Functions of State Council Organs" was discussed and approved. The administrative functions and the commercial functions of the former Ministry of Railways of the PRC were separated. The administrative functions of the former Ministry of Railways of the PRC were incorporated into the MOT by forming a new State Railway Administration. Meanwhile, China Railway Corporation ("**CRC**") was established to take up the commercial functions of the former Ministry of Railways of the PRC, which no longer exists
"**MOT**"	Ministry of Transport of the PRC
"**overseas**"	outside Chinese mainland
"**PBOC**"	People's Bank of China
"**PRC GAAP**"	Accounting Standards for Business Enterprises and other relevant provisions issued and revised from time to time by the Ministry of Finance of the PRC
"**SAFE**"	State Administration of Foreign Exchange of the PRC
"**SASAC**"	State-owned Assets Supervision and Administration Commission of the State Council of the PRC
"**SAT**"	State Administration of Taxation of the PRC
"**Shanghai Stock Exchange**"	The Shanghai Stock Exchange
"**sq.m.**"	square metre(s)
"**State Council**"	State Council of the PRC

GLOSSARY OF TECHNICAL TERMS

"**BOO**"	"Build-Own-Operate" mode
"**BOT**"	"Build-Operate-Transfer" mode
"**engineering method**"	an integrated construction method with application of systematic construction principles to combine advanced technology and scientific management, under which certain engineering practices will be applied to the construction in line with technology
"**EPC**"	Engineering, procurement and construction
"**PPP**"	"Public-Private-Partnership" mode
"**TBM**"	Tunnel Boring Machine
"**TOD**"	"Transit-Oriented-Development" mode
"**turnout**"	a component applied in railway tracks that is used for changing the route of a train where a single track splits into two tracks Turnout is applied in railway tracks

RISK FACTORS

Prospective purchasers of the Notes should carefully consider the risk factors set forth below, as well as the other information contained elsewhere in this Offering Circular. The risks described below are not the only ones that may affect the Issuer, the Guarantor, the Group or the Notes. Additional risks and uncertainties which the Issuer or the Guarantor is not aware of or that the Issuer or the Guarantor currently believes are immaterial may also adversely affect the Group's financial condition or results of operations. If any of the possible events described below occur, the Group's financial condition or results of operations could be materially and adversely affected. In such case, the Issuer or the Guarantor may not be able to satisfy their respective obligations under the Notes, and all or part of their investment. This Offering Circular also contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors.

Risks Relating to the Group's Business

The Group generates a significant part of its revenue from a few customers. As a result, the Group is exposed to significant credit risks and has limited ability to obtain favourable prices for its services and products relating to infrastructure construction projects.

Although the Group seized the opportunities to diversify its business to develop its market in railway, highway, housing construction, municipal engineering, urban rail transit and realised a more balanced and stable development, the Group generated substantial amount of revenue from the railway companies under China State Railway Group Co., Ltd, and they were among the top five customers of the Group for each year ended 31 December 2023, 2024 and 2025. Any deterioration of the business as well as the financial position of China State Railway Group Co., Ltd, such as decreased investment in infrastructure projects and railway project bids, decreased funding for new railway projects or a delay or suspension of existing projects, delay in payments due to the Group, an increase in trade receivable turnover days and decrease in the cash position of the Group, will have an adverse impact on the Group's business prospects and financial performance.

In addition, the Group's ability to negotiate a favorable prices for its services and products provided in relation to railway construction and other infrastructure projects is very limited, as due to the market condition the Group can only deals with a very limited number of customers and the public construction projects are typically awarded through a public tender process in which aggressive prices are offered among bidders to attempt to win the tender.

The Group receives payments in relation to construction projects in stages, and any delay or default in payments from its customers may affect the Group's working capital and cash flow.

Most of the Group's construction projects usually take years to complete and therefore, contracts with respect to the construction operations of the Group generally require its customers to make payments in stages upon the Group achieving project milestones as agreed between the parties. However, the Group incurs costs associated with a project, primarily materials, equipment and labour costs, on an on-going basis, at the beginning of the project or before achieving the relevant project milestones. In the event that the customers do not make payments to the Group pursuant to the payment terms in the relevant contracts, the Group may bear the risk of not being able to recover the relevant costs and expenditures incurred by it.

In most cases, for the warranty of a project, either the Group secures a letter of credit issued by a licensed commercial bank or a portion of the contract value is withheld by its customer as retention money to be paid or released after the warranty period.

Events such as late payment settlement resulting from changes in the government's estimates or delayed progress payments or the inability to receive payment as scheduled may result in a large amount of bills

and accounts receivables and may impact the Group's cash flow, particularly, as it has to expend resources in advance of payment. As at 31 December 2023, 2024 and 2025, the Group's bills and trade receivables were RMB159.0 billion, RMB208.0 billion and RMB243.9 billion, respectively. The trade receivables turnover days (calculated by dividing the Group's average balance of trade receivables by revenue, and then multiplied by 365) were 53 days in 2023, 68 days in 2024 and 87 days in 2025. As at 30 June 2026, the Group's bills and trade receivables amounted to RMB268.9 billion.

Moreover, defaults in making payments to the Group on projects for which it has already incurred significant costs and expenditures can materially and adversely affect the Group's results of operations and reduce its financial resources that would otherwise be available to fund other projects. In general, the Group makes provisions for bad debts, including those relating to payments from customers on on-going or completed projects, based primarily on the period of delay of payment and other factors affecting the perceived likelihood of receivables collection. There is no assurance that the Group's customers will make payment in full on a timely basis or that the Group will be able to efficiently manage the level of bad debt arising from receipt of payments in stages, the failure of which could have a material and adverse effect on the Group's business, financial condition and results of operations.

The Group may not be able to generate positive net cash flow from operating activities and failure to obtain sufficient funding may materially and adversely affect the Group's business, financial condition, results of operations, growth prospects and expansion plans.

A significant portion of the Group's business, including its construction operations, manufacturing operations and real estate development operations, is capital intensive. The Group requires significant capital to fund its construction and manufacturing activities, to build, maintain and operate its production and operation facilities and to purchase necessary production equipment. The Group also requires significant capital in relation to its real estate development operations where it usually invests in land and undertakes the construction of property sites before the relevant projects can start generating any revenue. In addition, pursuant to some of the Group's construction contracts, the Group is required to pay costs and expenditures relating to projects prior to receiving sufficient payment from its customers to cover such costs and expenditures. As the Group continues to expand its operations, any delay in the settlement of receivables may lead to a negative operating cash flow. The Group recorded net cash flow used in operating activities for the six months ended 30 June 2026 of RMB78,856.4 million, there can be no guarantee that the Group will not experience negative operating cash flows in the future as a result of its continuing expansion. If the Group were to record negative operating cash flows in the future, its working capital may be constrained which may materially and adversely affect its business, financial condition, results of operations and growth prospects.

In addition, a significant amount of funding is also required for the further growth of the Group's operating scale, and the expansion into new business areas and geographic markets may call for increased capital expenditures, further increasing its funding requirements. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the Group's capital expenditures for the construction of contracting projects, purchase of equipment, expansion and technology upgrade of facilities, and construction of investment projects such as PPP or BOT projects (representing the increase in other non-current assets other than long-term equity investments) amounted to RMB42.1 billion, RMB49.1 billion, RMB40.8 billion and RMB18.8 billion, respectively.

The following table sets forth the breakdown of the Group's capital expenditure by segment for the years/periods indicated:

	Year ended 31 December			Six months ended 30 June	
	2023	2024	2025	2025	2026
			(RMB'000)		
				(Unaudited)	
Construction operations	27,038,439	31,681,531	29,865,901	11,214,589	10,682,336
Planning, design and consultancy operations	789,407	619,824	148,422	188,361	100,950
Manufacturing operations	3,645,677	861,056	890,044	290,958	391,354
Real estate development operations	2,569,184	1,529,241	23,094	250,519	13,340
Other business operations	8,068,428	14,407,931	9,899,929	7,706,487	7,590,017
Total	**42,111,135**	**49,099,583**	**40,827,390**	**19,650,914**	**18,777,997**

To the extent that the Group's funding requirements exceed its financial resources, the Group will be required to seek additional debt or equity financing or to defer planned expenditures. The Group has historically financed its working capital requirements and capital expenditures through a combination of internal cash flow from its operations and external financing, including bank and other borrowings, as well as equity injection from its shareholders. The Group's ability to obtain external financing in the future and the cost of such financing are subject to a variety of uncertainties, including:

- the condition of financial markets in particular, the credit market;
- potential changes in monetary policies with respect to bank interest rates and lending policy;
- the Group's ability to obtain the PRC Government approvals required to access domestic or international financing; and
- the performance of each business sector of the Group.

Given the high level of the Group's financial leverage over the years, any adverse change in the Group's cash flows from operating activities may weaken its financial condition and adversely affect its ability to repay its borrowings on a timely basis, obtain external financing or credit on time or on terms acceptable to the Group. If the Group is unable to obtain financing on a timely basis or at a reasonable cost, the Group may not be able to undertake new projects or expand into new business areas and geographic markets, and its business, financial condition and results of operations could be materially and adversely affected.

If the Group is unable to accurately estimate or control its costs or the scope of work the Group is required to perform, the Group's profitability could be adversely affected.

Substantially all of the Group's contracts relating to its construction operations, planning, design and consultancy operations and manufacturing operations require the Group to complete a project for a pre-agreed fixed price or price per unit. The Group is typically responsible for all of its own costs, and its ability to make a profit on any project or product is largely dependent on the Group's ability to effectively control these costs. The amount of total costs the Group incurs on a project is influenced by a variety of factors, including climatic conditions, variations in labour and equipment productivity and costs over the term of a contract, changes in project scope or conditions, fluctuations in the price of raw materials and components and inability or delay in obtaining the requisite permits and approvals, many of which are beyond the Group's control. The Group may not be able to effectively manage its costs, and any unexpected increase in costs may lead to lower than expected profits, or even losses, which could materially and adversely affect the Group's business, financial condition and results of operations.

Some of the Group's construction contracts contain price adjustment clauses, which allow it to reclaim additional costs incurred as a result of unexpected increases in raw material costs. However, the Group is typically required to bear a portion of the increased cost. From time to time, the Group may be required to perform extra or "change order" work under its contracts despite the absence of prior agreements with its customers on the scope or price of the work to be performed. See "*Risks Relating to the Industries in which the Group Operates*". The Group is exposed to risks in connection with contracting with public bodies. This process may result in disputes over whether the work performed is beyond the scope of the work included in the original project and specifications, or over the price the customer is willing to pay for the extra work. Even when the customer agrees to pay for the extra work, the Group may be required to fund the cost of such work for a lengthy period of time until the change order is approved and funded by the customer. In addition, any delay caused by the extra work may impact the progress of the projects and the Group's ability to meet specific contract milestones or deadlines. The Group may also incur extra costs due to unapproved construction change orders or contract disputes. There is no assurance that the Group will be able to recover the extra costs in full or at all, which may lead to business disputes, or may otherwise adversely affect its business, financial condition, results of operations and prospects.

The Group may be unable to continue to procure an adequate supply of raw materials and energy supplies at acceptable prices and quality in a timely manner.

Successful operations of the Group depend on its ability to obtain from its suppliers sufficient quantities of raw materials, energy supplies and other commodities at acceptable prices and quality in a timely manner. The Group is exposed to the market risk of fluctuations in certain commodity prices for raw materials such as steel, cement, explosives, admixture, track materials, waterproofing materials, and other construction materials utilised in its infrastructure construction operations as well as for steel and electronic parts utilised in its machinery and equipment manufacturing operations. The price and availability of such raw materials may vary significantly from year to year due to factors such as China's import restrictions, consumer demand, producer capacity, market conditions and costs of materials. In particular, steel and cement, which are critical to the Group's operations, are subject to substantial pricing cyclicality and periodic shortages in China. The Group is also affected by increases in energy prices, including electricity and fuel prices, for the operation of its machinery and equipment.

There is no assurance that the Group will be able to continue to obtain sufficient raw materials from its existing suppliers or from alternative sources at prevailing or acceptable prices, in a timely manner, or at all. There is no assurance that the Group will not encounter difficulties in obtaining quality materials or shortages of raw materials, or that the Group will be able to absorb any increase in raw material prices or pass them on to its customers.

The inherent hazardous nature of the Group's business exposes the Group to potential liabilities, which could harm its reputation and cause it to incur substantial costs.

Due to the nature of the Group's business, it engages or may engage in certain inherently hazardous activities, including operations at high altitudes or in harsh geological conditions, tunnel construction, underground excavations, use of heavy machinery and working with flammable and explosive materials. Despite the Group's commitment to comply with the requisite safety requirements and standards, the Group is subject to risks surrounding these activities, such as geological catastrophes, toxic gas, equipment failure, industrial and railway accidents, fire, explosion and failure of employees and service contractors to follow proper safety procedures. These hazards can cause personal injury and loss of life, damage to or destruction of property and equipment, and environmental damage and pollution, any of which could result in damage to the Group's business reputation and corporate image, suspension of the Group's operations and the imposition of civil or criminal penalties.

There may be circumstances where the Group is not fully covered by insurance policies for environmental liability, third-party liability, business interruption or loss of profit arising from disruptions of its operations.

Many of the Group's contracts provide for various deadlines. If the Group fails to meet these deadlines on a project, it may be responsible for the payment of liquidated damages. It may also face liabilities

associated with the subsequent use by its customers or third parties of facilities or products it has constructed after the completion of its projects. The Group normally seeks to limit exposure to such claims through contractual limitations of liability, indemnities from its customers, subcontractors and suppliers, and insurance as part of its risk management strategy. However, such measures may not offer sufficient protection and may be limited by various factors outside the Group's control, including:

- in some of the jurisdictions in which the Group operates, including China, environmental and workers' compensation liabilities may be assigned to the Group as a matter of law and may not be limited through contracts;

- customers and subcontractors may not have adequate financial resources to satisfy their indemnity obligations to the Group;

- losses may arise from risks not addressed in the indemnity agreements; and

- insurance coverage of the Group may not be sufficient because it may not be possible to obtain adequate insurance against some risks on commercially reasonable terms, or at all.

Insurance policies, in particular, have become increasingly expensive and sometimes very difficult to obtain. Moreover, there may be circumstances where the Group is not fully covered by insurance policies for environmental liability, third-party liability, business interruption or loss of profit arising from disruptions of its operations such as accidents at its construction sites or facilities, demonstrations and protests by its workers or third parties. Failure to effectively cover the Group against these risks for any of the above reasons could expose the Group to substantial costs and potentially lead to significant losses. Additionally, the occurrence of any of these risks could damage its reputation and relationship with regulators and other customers, which may materially hinder the Group's chance to win tenders for new projects.

The Group's corporate structure, which consists of a large number of companies in multiple business sectors, exposes it to challenges to integrate and manage its business.

The Group consists of portfolio companies operating in multiple industries and has grown rapidly in its business scale and geographical coverage in recent years. Due to the diverse characteristics of the Group's portfolio companies, the Group is exposed to business, market and regulatory risks relating to different industries. It needs to devote substantial resources to monitor changes in different operating environments so that it can react with appropriate strategies that fit the needs of the portfolio companies affected. As the Group continues to grow through acquisitions of businesses in an increasing number of industries across various jurisdictions, its operations will become more widespread and complex and project management may become more difficult, which could in turn result in management risks. Successful operation of the Group requires an effective management and internal control system that emphasises proper authorisations, reliability and accountability of financial reporting, imposes financial and internal control disciplines on portfolio companies, and creates value-focused incentives for management.

In particular, it will become increasingly difficult for the Group to direct and monitor the day-to-day operations of its businesses and to prevent or detect any fraud and protect the Group's assets, both physical and intangible, and the Company may not be able to fully control the actions of its non-wholly-owned subsidiaries and affiliates, which could materially adversely affect the Group's business and financial condition.

The Group's backlog may not be indicative of its future results of operations.

The contract backlog figures as contained in this Offering Circular only represent the Group's estimate of the total contract value of work that remained to be completed pursuant to the terms of outstanding

contracts as at a certain date. Backlog is not a measure defined by generally accepted accounting principles and backlog may not be indicative of future operating results. See "*Description of the Group — Backlog*". As at 31 December 2025, the aggregate contract backlog for the Group was approximately RMB4,506.0 billion. However, this figure is based on the assumption that the relevant contracts will be performed in full in accordance with their terms. Many of the Group's contracts do not provide for a fixed amount of work to be performed and are subject to modification or termination by the customer. The termination or modification of any one or more sizeable contracts may have a substantial and immediate effect on the Group's backlog. Projects may also remain in the Group's backlog for an extended period of time. There is no guarantee that the amount estimated in the Group's backlog will be realised in a timely fashion, or at all, or that, even if it is realised, it will result in profits. As a result, investors are warned against unduly relying on the Group's backlog information presented in this Offering Circular as an indicator of the Group's future earnings.

The Group employs third-party labour sub-contractors to provide additional manpower for its projects, which may expose the Group to reputation and litigation risks.

In the construction operations, the Group often engages third-party labour sub-contractors to provide additional manpower on large projects. Outsourcing a portion of its labour supplements the Group's capacity, reduces the need to maintain a large workforce and increases flexibility in carrying out contracts. The Group maintains relationships with a number of qualified labour sub-contractors located across China. However, qualified labour sub-contractors may not always be readily available when the Group's needs for additional labour arise. If the Group is unable to hire qualified labour sub-contractors or additional part-time labourers, the Group's ability to take on additional projects or complete its current projects on time could be impaired. In addition, if the cost for sub-contractors rises, the Group's profitability may be affected, particularly to the extent such increase causes its labour costs to exceed what the Group has estimated in fixed-price or fixed-unit-price type contracts with its customers. In addition, the Group may not be able to monitor the performance of sub-contracted labour as directly and efficiently as for its own staff. Outsourcing exposes the Group to risks associated with non-performance, delayed performance or sub-standard performance by subcontractors. As a result, the Group may experience deterioration in the quality or delivery of its relevant construction projects, incur additional costs due to the delays or at a higher price in sourcing the services, equipment or supplies in default, or be subject to liability under the relevant contract for its subcontractor's performance. Such events could impact upon its profitability, financial performance and reputation, and result in litigation or damage claims.

The Group's failure to adequately protect its intellectual property rights or any infringement claims brought by third parties against the Group may have an adverse effect on the Group's business, financial condition and results of operations.

The Group relies on patents, trademarks, copyrights, construction methods and contractual rights to protect its intellectual property. As at 31 December 2025, the Group owned 43,536 valid patents and had earned above-provincial level recognition of 6,499 engineering methods in China. The Group markets its construction operations and manufacturing operations under the well-recognised brand name, CRCC, which it believes has been critical to its competitiveness and success. The Group has also developed numerous advanced systems, trade secrets, know-how, processes, technologies and other intellectual property that have enhanced its operational efficiency and enabled the Group to maintain its competitiveness. In addition, the legal regime governing intellectual property rights in China is still evolving and the level of protection of intellectual property rights in China may differ from those in other jurisdictions. In the event that the steps the Group has taken and the protection provided by law do not adequately safeguard its intellectual property rights, the Group could suffer losses due to the provision or the sale of competing services or products by others which exploit its intellectual property rights.

In addition, there can be no assurance that any of the Group's intellectual property rights will not be challenged, misappropriated or circumvented by third parties, or that the Group's competitors will not

independently develop alternative technologies that are equivalent or superior to the Group's proprietary technologies. The Group may also be subject to claims for infringement of patents, trademarks or other intellectual property rights of others. Defending or otherwise dealing with any infringement claim, whether with or without merit, could be time-consuming, result in costly litigation or damages, undermine the value of the Group's brands and trademarks, reduce sales and/or require the Group to enter into royalty or licencing agreements that may not be on commercially acceptable terms.

The Group's business may be adversely affected if it is unable to secure and retain qualified personnel for its operations.

The Group's operations depend upon its ability to attract and retain experienced and qualified personnel, including executive officers and key technical personnel, who have the necessary and required experience, knowledge and expertise. Competition for qualified personnel is intense in the PRC. The Group may lose these persons to those competitors who are able to offer more competitive packages. The Group may have to significantly increase its related staff costs to remain competitive.

It is expected that, in order to comply with applicable construction regulations and to complete the construction projects on time and within budget, the Group will have to continue to train its employees and require additional qualified professionals. Demand for employees who have industry-related experience and expertise will increase as customers of the Group increases their capital expenditure and the use of the Group's services. The Group's future operating results will be dependent on its management's ability to maintain effective control over a large and diversified enterprise. To the extent the Group is unable to recruit personnel with the necessary skills locally, the attention of its management could be diverted. If the Group cannot recruit, train and retain the qualified personnel necessary to execute its contracts or to perform necessary corporate activities, its business operations may be adversely affected. In addition, failure to attract and retain personnel with technical or marketing expertise may result in the Group's non-compliance with applicable construction regulations and the inability to prevent misappropriation of its technology or maintain its client contacts.

The Group may face unexpected difficulties in expanding into new industries and markets.

To improve the Group's profitability and diversify potential risks, the Group has been growing its operations in industries and markets with potential for deriving favourable returns, including real estate development and other municipal works, both in the PRC and abroad. Expansion in these industries and markets carries with it many associated risks, including risks related to lack of operating experience in such industries and markets and lack of experienced management and employees to staff such expansion. Expansion may also place excessive pressure on the Group's financial, human and management resources that are otherwise available for the Group's current businesses. In addition, there might be many established incumbent players in these new markets who already enjoy significant market shares and competitive market positions, and it may be difficult for the Group to win market share from them. Some of the overseas markets that the Group is targeting may have high barriers of entry to foreign players. There can be no assurance that the Group's expansion plans will be successful.

The Group has grown rapidly in terms of its business scale and geographical coverage in recent years. As the Group continues to grow through acquisitions of businesses in an increasing number of industries across various jurisdictions, its operations will become more widespread and complex and project management may become more difficult, which could in turn result in management risks. For instance, such rapid expansion also creates challenges and increases the difficulty of implementing the Group's management and internal control system. In particular, it will become increasingly difficult for the Group to direct and monitor the day-to-day operations of its businesses and to prevent and detect fraud and protect the Group's assets, both physical and intangible. Moreover, the Company may not be able to fully control the actions of its non wholly-owned subsidiaries and affiliates. Any of these may materially and adversely affect the Group's business, results of operations and financial condition.

The Group's business, financial condition and results of operations may be affected by adverse weather conditions, natural disasters, pandemics, acts of war and terrorist attacks.

Adverse weather conditions, such as extreme cold weather, snow, typhoons, floods and heavy or sustained rainfall and natural disasters such as earthquakes, landslides or mudslides, may prevent the Group from conducting its construction activities or otherwise affect its productivity, preventing the Group from completing its construction projects on schedule, delaying its receipt of payment and possibly causing the Group to incur increased operating expenses. Climatic conditions that are unusually severe or intense and occur at abnormal times or last longer than usual could therefore have a material adverse effect on the Group's business, financial condition and results of operations. Typically the Group's construction contracts allow the Group to claim for compensation of losses suffered as a result of adverse weather conditions or natural disasters. However, the Group does not normally receive full compensation and will bear some portion of the losses. Moreover, natural disasters and other acts of God which are beyond the control of the Group may adversely affect the economy, infrastructure and communities in the countries and regions in which it has operations.

Other events that are outside of our control, including public health crises, pandemics and power outages, have in the past and could in the future disrupt our operations and adversely affect our business. Any of these events could result in complete or partial closure of one or more of our facilities and our construction sites and temporary or long-term disruption of our operations or the operations of our suppliers by causing business interruptions or by impacting the availability and cost of materials needed for construction or otherwise impacting our ability to deliver projects and services to our customers. Existing insurance arrangements may not provide full protection for the costs that may arise from such events. The occurrence of any of these events could materially increase our costs and expenses and have a material adverse effect on our business, financial condition, results of operations and prospects.

Acts of war and terrorist attacks, including those in foreign countries in which the Group has overseas operations, may cause damage or disruption to the Group, its employees, subcontractors, operations, equipment and facilities, as well as to its markets, any of which could impact its public image, turnover and cost of sales. The potential for war or terrorist attacks may also create uncertainty and cause its business to suffer in ways that the Group cannot currently predict. Any of these will have a material and adverse effect on the Group's business, results of operations and financial condition.

The Group faces litigation risks in the course of its business.

In the ordinary course of the Group's business, claims from project owners, customers, labour subcontractors, joint venture partners and other parties may be brought against the Group or by the Group in connection with its contracts from time to time. Claims may be brought against the Group for alleged defective or incomplete work, liabilities for defective products, related personal injuries and death, damage to or destruction of property, breaches of warranty and late completion of the project. The claims can involve actual damages and liquidated damages. If the Group was found to be liable, the Group would have to incur a charge against earnings to the extent a reserve had not been established for the matter in its accounts, or to the extent the claims were not sufficiently covered by its insurance. Claims brought by the Group against project owners may include claims for additional costs incurred in excess of current contract provisions arising out of project delays and changes in the initial scope of work. Claims between the Group and its labour sub-contractors and vendors may include claims similar to those described above.

Both claims brought against the Group and by the Group, if not resolved through negotiation, are often subject to lengthy and expensive litigation or arbitration proceedings which could also be disruptive to the Group's normal business operations. The results of these legal proceedings are often difficult to predict and the amounts ultimately realised from project claims by the Group could differ from the balances included in the Group's financial statements. Moreover, legal proceedings resulting in

judgments or findings against the Group may harm its reputation, cause economic losses and damage its prospects for future contract awards. Such claims could therefore have a material and adverse impact on the Group's financial condition, results of operations and cash flow. See "*Description of the Group — Legal Proceedings*".

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties.

The Group may be exposed to fraud or other misconduct, including violations of anti-corruption laws, committed by its employees, representatives, agents, customers or other third parties that could subject it to litigation, financial losses and sanctions imposed by governmental authorities, which will in turn affect its reputation. These misconducts could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- engaging in improper or illegal activities such as offering bribes to, and receiving bribes from, counterparties in return for any type of benefits or gains;
- misappropriation of funds;
- conducting transactions that exceed authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities;
- engaging in unauthorised or excessive transactions to the detriment of the Group's customers; or
- otherwise not complying with applicable laws or the Group's internal policies and procedures.

The Group's internal control procedures are designed to monitor its operations and ensure overall compliance. However, such internal control procedures may be unable to identify all incidents of non-compliance or suspicious transactions in a timely manner if at all, and from time to time certain of the Group's jointly controlled entities, employees, representatives, agents, customers and other third parties involved in or associated with its projects have engaged in instances of such misconduct which have resulted in proceedings against them ranging from internal disciplinary measures to payments of fines and criminal prosecutions. In addition, increased recent anti-bribery law enforcement activity in various jurisdictions, including China, may lead to further such proceedings against them. Furthermore, it is not always possible to detect and prevent fraud and other misconduct, and the precautions the Group takes to prevent and detect such activities may not be effective in all cases. There is no assurance that fraud or other misconduct will not occur in the future. If such fraud or other misconduct does occur, it may cause negative publicity and damage to the public image of the Group.

The Group's offshore operations are subject to economic and political uncertainties in overseas markets.

The Group has been expanding its operations in overseas countries and regions, including less developed areas. For the years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026,

approximately 5.3 per cent., 6.2 per cent., 7.4 per cent. and 9.3 per cent. respectively, of the Group's revenue was generated from its overseas operations. The Group's business is therefore subject to changing international economic and political conditions, and local conditions, including Central Asia, Middle East, Latin America and Africa where political and economic conditions are often subject to instability. As at 30 June 2026, the Group had operations in 150 foreign countries and regions as well as Hong Kong, Macau and other regions. The Group expects that a significant amount of its revenue and profits will continue to be derived from its overseas projects in the foreseeable future. As a result of its overseas operations, the Group is exposed to various risks associated with conducting business in foreign countries and regions that include, among other factors:

- political risks, including risks of loss due to civil unrest, acts of terrorism, acts of war, other armed conflict, regional and global political or military tensions and strained or altered foreign relations;
- abrupt changes in foreign government regulations or policies;
- expropriation and nationalisation of its assets in foreign countries;
- natural disasters;
- inflation;
- currency value fluctuations and conversion restrictions;
- tax increases, confiscatory taxation or other adverse tax policies;
- governmental activities that limit or disrupt markets, restrict payments or limit the movement of funds;
- governmental activities that may result in the deprivation of contract rights;
- governmental activities that may result in the inability to obtain or retain licences required for operations;
- competition from other international large-scale construction companies;
- adverse labour conditions;
- negative media and investor attention to the Group;
- cyclical nature and demand of international construction markets;
- social and community relationships; and
- lack of a well-developed or independent legal system in the foreign countries in which the Group has overseas operations, which may create difficulties in the enforcement of contractual rights.

As the Group's overseas operations are susceptible to changes in the overseas countries' respective local economic, political and regulatory environments as well as changes in global economy, a variety of factors, many of which are beyond the control of the Group, could significantly affect the profitability and growth of these operations. The Group may be required to deploy management resources and personnel to high-risk areas where its overseas projects are located. As such, the Group may incur substantial costs to implement safety and security measures to protect its personnel and assets. Such measures may not always be adequate. The Group's level of exposure to certain risks varies with respect

to each project, and is dependent on the particular work stage of each project. Any of the above factors could lead to, amongst others, project disruptions, losses of personnel and assets and other indirect losses, which could harm its international business operations, overall financial condition and profitability. In addition, any severe or prolonged slowdown of the global economy could result in reduced infrastructure development which could in turn affect the Group's overseas operations. Concerns over inflation, geopolitical issues, the availability and cost of credit, volatile oil price, the rise in anti-globalisation sentiment and the ambiguity of the policies of the United States administration have contributed to increased volatility for the global economy and the markets. The uncertainty of the interest rates in the United States have impacted global equity markets and commodity prices. Further, the prolonged trade dispute between the United States and China may continue to weaken the global economy, raise prices for businesses and consumers, delay corporate investments and slow economic growth around the globe. There have been heightened tensions in international relations, particularly between the United States and China. These tensions have affected both diplomatic and economic ties among countries, and could reduce levels of trade and other economic activities between major economies. The impact of recent geopolitical conflicts on our projects and current prospects has been minimal. However, there is no assurance that any escalation of geopolitical tension in the future will not create instability in macroeconomic and social conditions, which could have a material adverse effect on our business, financial condition, results of operations and prospects. In the event of a significant geopolitical conflict or a macroeconomic downturn, our ability to obtain new project may be damaged, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Furthermore, the Group may be subject to sanctions imposed by certain countries against transactions with other countries in which the Group conducts business, which may limit its ability to conduct such overseas operations or obtain funding. For example, the Group had entered into contracts to provide construction services in countries such as Russia. The transactions with entities in countries such as Russia does not constitute material transactions of the Group, and any suspension or termination thereof would not be expected to impose any material impact on the business or prospects of the Group. The Group confirms that it will not, directly or indirectly, use the proceeds of this Offering, or lend, contribute or otherwise make available such proceeds to any affiliates, subsidiaries or other person or entity, for the purpose of financing the activities of any person, entity or country currently subject to any Sanctions Laws. Nevertheless, any activities in the sanction countries may attract negative attention from the public or from the market, thus may have an adverse impact on the investment in the Notes. If any restrictions were imposed on or as a result of the Group's activities in these sanction countries, the ability for the Group to raise funds may be adversely affected and the Group may be required to incur additional costs and resources to manage and mitigate the negative impact caused thereby.

The Company cannot predict the interpretation or implementation of the government policies or sanctions law at the United States federal, state or local levels or any policy or sanctions law by any applicable jurisdiction with respect to any current or future activities of the Group in jurisdictions or with persons or entities that are the subject of sanctions. If the Group's existing business operations are determined by a government or regulatory authority to have violated any sanctions, it may be subject to investigations, legal proceedings, fines and penalties, which may divert management's attention and resources from the business of the Group, and could have a material adverse effect on the Group's business, results of operations and financial condition.

Government control of currency conversion and exchange rate fluctuation may adversely affect our operations and financial results.

Most of the Group's operations are located in the PRC, and most of the Group's income and costs are denominated in Renminbi, which is the Group's functional currency. However, the Group conducts part of the construction operations and planning, design and consultancy operations overseas and export some of the Group's products from the manufacturing operations. The Group is therefore subject to risks

associated with foreign currency fluctuations and changes in the value of foreign currencies could affect the Group's results of operations. Since 2021, there has been continuous depreciation and increased volatility in the value of the Renminbi and there can be no assurances on its impact to the Group's exposure to foreign currency exchanges. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the Group recorded a net foreign currency exchange gain of RMB837.1 million, RMB392.1 million, RMB857.5 million and RMB1,052.1 million, respectively. Changes in the value of foreign currencies could increase the Group's Renminbi costs for, or reduce the Group's Renminbi turnover from, its foreign operations, or affect the prices of its exported products and the prices of its imported equipment and materials, any of which could materially and adversely affect the Group's results of operations.

The value of the Renminbi is subject to changes of the PRC's governmental policies and international economic and political developments. Since 21 July 2005, the Renminbi is no longer pegged solely to the U.S. dollar. Instead, a managed floating exchange system has been introduced by the PRC Government which allows the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. There can be no assurance that such exchange rate will remain stable against the U.S. dollar or other foreign currencies in the market. Any appreciation of the Renminbi against any of these currencies may lead to an increase in the Group's costs or a decline in the Group's turnover. Fluctuations in exchange rates may adversely affect the value, when converted into U.S. dollars or Hong Kong dollars (which are pegged to U.S. dollars), of the Group's net assets and earnings.

Some of the Group's operations are less profitable, and the Group may not be able to continue developing new operations that generate higher levels of profit in the future.

Some of the Group's infrastructure construction projects, such as some of the conventional construction projects and public infrastructure projects, are less profitable than the Group's other businesses. The Group is often affected by government policies when it undertakes major public infrastructure construction projects. As public spending on such projects may be restricted due to governmental policies on public spending, profits generated from these projects may be limited. In addition, the Group may from time to time undertake various landmark projects involving high costs, high precision requirements, tight construction schedules and substantial capital investments, as well as the need to acquire new, expensive machinery and equipment, which collectively lead to increased costs and funding requirements. The undertaking of low-profit projects may expose the Group to short-term losses and could adversely affect its profit-generating abilities. In addition, the increased use of subcontractors is likely to further erode the Group's profitability. The Group's efforts to oversee cost management, make improvements to its technology and develop new operations to increase its profitability may not be successful.

Furthermore, the Group may not be able to continue developing new projects with high profit margins. For example, the Group plans to capture the opportunities created by favourable market conditions to continue to expand its operations in real estate development, with an emphasis on residential real estate development. The PRC Government has in recent years taken various measures to regulate the property market, please see "*— Risks Relating to the Industries in which the Group Operates — The Group's business is affected by the level of growth in the national and regional economies in the PRC, and the general level of activities and growth in the industries in which the Group operates*". The Group intends to further expand its land reserves in China's coastal and affluent areas and scale of operations by increasing the capital expenditure in its real estate development business, forming strategic alliances and carefully selecting projects with promising prospects to benefit from synergies and economies of scale and secure stable sources of income. It plans to focus on developing real estate projects in large cities and municipalities with high economic growth potential, in the Pearl River Delta, the Yangtze River Delta and the Bohai Rim Economic Circle. See "*Business — Principal Products and Services — Real Estate Development*" for details of the Group's real estate development operations. However, there is no assurance that the Group's strategic plan will be successful.

The development and utilisation of new technology may not always produce positive results.

The Group is often engaged to undertake large, complicated projects that require it to design and develop new technologies and construction methods because of its strong research, design and development capabilities. There can be no guarantee that the Group would always successfully develop these new technologies and construction methods after substantial resources have been invested by the Group. The use of new technologies and construction methods could also result in experimental failures, increased costs, unstable conditions, affecting the profitability of some of its projects, which could materially and adversely affect the business and results of operations of the Group.

The Group's infrastructure investment and operation projects may expose the Group to additional risks.

The Group is involved in and plans to continue exploring opportunities in projects involving ownership and operation of the infrastructure in both domestic and international markets, which mainly include construction projects by way of BOT, BOO and PPP. The nature of infrastructure investment and operation projects may require the Group to fund the project upfront and make payments to suppliers and subcontractors. In undertaking infrastructure investment and operation projects, the Group may be exposed to payment delays or default of payment. The risks in connection with undertaking infrastructure investment and operation projects include the risk of an inaccurate forecast concerning cash inflows to be derived from the completed projects and the risks arising during the operational phase of such projects. Investment by the private sector in these projects is dependent on government policies and laws and regulations relating to public and private participation and the sharing of risks and returns of such projects. Undertaking infrastructure investment and operation projects also requires significant outlay of the Group's working capital over extended periods. Moreover, the introduction of infrastructure investment and operation projects in China's infrastructure construction industry is relatively recent, and the Group has limited management experience in carrying out and managing the risks involved in such projects. There is no assurance that the Group will be able to successfully and profitably carry out infrastructure investment and operation projects. Any inability to execute or handle such projects may adversely affect the Group's business and results of operations.

The Group's business and financial results may be adversely affected by increases in interest rates and the level of its indebtedness may limit its financing capabilities.

The PBOC has in the past implemented interest rate increases in the PRC. Any increase in the interest rates may adversely affect the Group's business and financial results. The PBOC has adjusted and lowered the benchmark interest lending rate in 2024 and 2025, however, there is no assurance that PBOC will not in the future raise the benchmark lending rate or otherwise discourage bank lending or that the Group's business, results of operations and financial position will not be materially and adversely affected as a result.

The Group is subject to a high degree of financial leverage. As at 30 June 2026, the Group had total borrowings (represented by short-term loans, current portion of long-term loans and bonds payable, long-term loans and bonds payable) of RMB717,111.8 million, representing debt-to-asset ratio (calculated by dividing the Group's total borrowings by consolidated total assets) of 33.1 per cent. The lending interest rates of commercial banks are set based on the PBOC benchmark lending rate and further increases in the PBOC benchmark lending rate may lead to higher lending interest rates. Due to the size of the Group's borrowings, its results of operations will be materially affected by the effective interest rate of these borrowings. In addition, interest rates have a direct effect on the demand for real estate, and thus on the real estate development industry. A rise in interest rates could adversely affect the affordability and attractiveness of mortgage financing to potential purchasers of the Group's properties. As a result, the demand for the Group's real estate development projects may be negatively affected. The Group's cost of borrowing would also increase as a result of interest rate increases, which would, in turn, adversely affect the Group's results of operations.

The Group's substantial indebtedness may affect its ability to secure funding for various projects, including current and future projects. The Group has relied upon both short-term and long-term borrowings to fund a portion of its capital expenditures and operations and the Group expects to continue to do so in the future. The Group may incur additional debt to fund its planned capital expenditures and future projects. The level of its indebtedness and the amount of its interest payments could limit its ability to obtain the financing required to fund future capital expenditure and working capital. A shortage of such funds could in turn impose limitations on the Group's ability to plan for, or react effectively to, changing market conditions or to expand through organic and acquisitive growth, thereby reducing its competitiveness.

Risks Relating to the Industries in which the Group Operates

The Group's business is largely dependent on the level of the PRC Government's spending on transportation and other infrastructure.

The Group's business largely depends on continuing spending by the relevant PRC Government agencies to build railways and other public transportation infrastructure, including roads, bridges and tunnels as well as other public projects. The PRC Government's spending on infrastructure has historically been, and will continue to be, cyclical in nature. Various factors affect the nature, scale, location and timing of the PRC Government's public investment plans in the transportation infrastructure sector of the PRC. These factors include the PRC Government's policy and priorities regarding different regional economies across China, the PRC Government's fiscal and monetary policies which affect the availability of credit and funding for projects, deregulation to encourage private sector participation in the transportation infrastructure sector and the general condition and prospects of the overall PRC economy. Any significant reduction in the PRC Government's investments in infrastructure development, particularly the transportation infrastructure sector, could have a material and adverse effect on the Group's business.

The Group's business is affected by the level of growth in the national and regional economies in the PRC, and the general level of activities and growth in the industries in which the Group operates.

The construction operations and the survey, design and consultancy operations of the Group are affected by the general level of activities and growth in the construction industry in the PRC. Factors which may influence the performance and growth of the construction industry include general national economic conditions, mortgage and interest rate levels, inflation, unemployment, demographic trends, gross domestic product growth and consumer confidence. A downturn in economic activities in the PRC could lead to a recession in the construction industry. The Group's financial condition and results of operations could be materially and adversely affected by a downturn in the construction industry in the PRC or in any of the regional markets where the Group operates.

Success of the real estate development operations of the Group is dependent on the PRC property sector. Historically, the PRC property market has been a cyclical market with volatility in market conditions and fluctuations in property prices. The property prices in the PRC have experienced significant fluctuations since the 1990s. It is not possible to predict whether demand for properties in the PRC will increase or fall further, as many social, political, economic, legal and other factors may affect the development of the property market. In particular, the PRC Government has in recent years taken various measures to regulate the property market, such as raising benchmark interest rates of commercial banks, placing additional limitations on the ability of commercial banks to make loans to property developers, imposing additional taxes and levies on property sales, restricting foreign investment in the PRC property market and imposing restrictions on the purchase of properties by domestic individuals. There is no assurance that the PRC Government will not adopt additional and more stringent industry policies and regulations in the future. Any further weakening in the PRC property sector could adversely affect the financial condition and results of operations of the real estate development operations of the Group and the Group as a whole.

The Group is required to comply with extensive environmental, safety and health laws and regulations and quality control standards and the compliance of which may be onerous or expensive.

The Group is required to comply with extensive environmental, health and safety laws and regulations promulgated by the PRC Government and the governments of other overseas jurisdictions in which it operates, as well as quality control standards. Given the magnitude and complexity of these laws and regulations, compliance with them or the establishment of effective monitoring systems may be onerous or require a significant amount of financial and other resources. If the Group fails to comply with these laws and regulations and industry standards applicable to its operations, it could be subject to suspension of its operations, failed evaluation when the project is delivered for review, substantial penalties, fines, suspension or revocation of its licences or permits to conduct business, termination of government contracts, administrative proceedings or litigation. Such events could have a material and adverse impact on its business, results of operations, financial condition and reputation. As these laws and regulations continue to evolve, there can be no assurance that the PRC Government or the governments of other overseas jurisdictions in which the Group has operations will not impose additional or more onerous laws or regulations, compliance with which may cause the Group to incur significantly increased costs, which the Group may not be able to pass on to its customers. In addition, some of the new overseas markets that the Group is seeking to enter may have more onerous environmental, safety and health regulations than in China, compliance with which may be costly and could hinder its endeavours to enter these new overseas markets.

The Group is required to possess permits, certificates or licences to undertake its business operations and any loss, termination or non-renewal of these permits, certificates or licences could have a significant and adverse impact on its business.

The Group is required to possess permits, certificates and licences issued by the relevant government agencies to conduct its business, including its construction operations and manufacturing operations, and it must comply with the restrictions and conditions imposed by various governmental authorities to maintain its permits, certificates and licences. The Group is subject to regular inspections, examination, inquiries and audits by governmental authorities as part of the process of maintaining or renewing these various licenses, certificates and permits. The Group is also subject to periodic and spot inspections conducted by governmental authorities at various levels. In the event that any of its or its subsidiaries' facilities or products fail such inspections, the Group's business, profitability and reputation may be materially and adversely affected. The Group may also be subject to fines or other financial penalties in such events. It cannot be assured that the Group will be able to maintain or renew its existing licenses, certificates or permits, or any other regulatory approvals or obtain new licenses, certificates, permits or other approvals required for its continuing operation on a timely basis or at all. Failure to comply with applicable laws and regulations or failure to maintain, renew or obtain the necessary licenses, certificates, permits or approvals could materially and adversely affect the Group's business, results of operations and financial condition.

The Group faces significant and increasing competition in the markets in which it operates, and failure to compete effectively could adversely affect its business.

The Group experiences significant competition in the markets in which it operates, in particular in the construction, survey, design and consultancy and the real estate development operations in the PRC. The Group's competition comes from various sources, including both large and local state-owned and private companies in China, as well as leading international companies. The Group competes with other domestic construction companies for railway construction projects and expects to face increasing competition from both local and international players in the future. Increased competition may result in loss of market share and may adversely impact the Group's results of operations and financial condition.

The Group is exposed to risks in connection with contracting with public bodies.

The PRC and overseas government agencies (which term shall include entities administered and financed by such agencies) at national, provincial and local levels are the largest group of investors in the

transportation infrastructure industry, and they are the Group's core customer base. The Group is therefore exposed to risks in connection with contracting with such public bodies. For example, many of the Group's contracts with government agencies are for large and high profile infrastructure projects, which can result in increased political and public scrutiny of its work. Such public bodies may from time to time require the construction methods or equipment utilised to be changed, directing the Group to reconfigure its designs or purchase machinery and equipment for the relevant project, thereby subjecting the Group to additional costs. Due to the fact that most of the transportation infrastructure projects are funded by government agencies, these projects are sometimes subject to changes or postponement arising from factors such as changes in government budget, changes in policy considerations or changes of government in certain overseas jurisdictions, which could also lead to a withholding of, or delay in, payments to the Group. Government agencies generally exercise significant discretion in the performance of their contracts with us. If any public body terminates or fails to renew a contract with the Group, its backlog may be reduced. See "*Business — Backlog*". In addition, disputes with public bodies could potentially lead to contract termination if unresolved or may last for considerably longer periods of time than for those that occur with private sector counterparties, and we may not be able to receive payments from public bodies timely or at all as a result.

The Group is susceptible to changes in regulatory landscapes of the PRC real estate industries.

With respect to the real estate development operations, the Group derives revenue from the sale of properties that it has developed. This revenue stream is dependent on the Group's ability to complete and sell its property developments. To maintain or grow its real estate development operations in the future, the Group needs to replenish its land reserve with suitable land sites for developments. The Group's ability to identify and acquire a sufficient land bank suitable for property development is subject to a number of factors that are beyond its control. The PRC Government has implemented a series of measures with a view to control real estate industry in recent years. In particular, the PRC Government has continued to introduce various restrictive measures to discourage speculation in the real estate market. The government exerts considerable direct and indirect influence on the development of the PRC real estate industry by imposing industry policies and other economic measures, such as control over the supply of land for property development, control of foreign exchange, property financing, taxation and foreign investment. As a result, the PRC Government may implement regulations or policies to influence property development activities, place limitations on the ability of commercial banks to make loans to property purchasers, impose additional taxes and levies on property sales and affect the delivery schedule and occupancy rates of the properties we serve.

Under PRC law, if a developer fails to develop land in accordance with the terms of a land use rights grant contract (including those relating to the payment of fees, the designated use of the land and the time for commencement and completion of the development), the relevant government authorities may impose a penalty on the developer or confiscate the land. There is no assurance that circumstances leading to confiscation of land or delays in the completion of a property development will not arise in the future. If the Group's land is confiscated, it will be unable to continue its property development on the confiscated land or recover the costs incurred in the initial acquisition of the confiscated land or recover development costs and other costs incurred up to the date of confiscation. In addition, in the event that the government exercises its authority to confiscate any land use rights that have been legally granted to the Group, the Group may not be compensated for the full market value of the land.

Any inability to identify or acquire sufficient appropriate sites at reasonable costs or complete the development of real property projects in a timely manner could materially and adversely affect the Group's financial condition, profitability and future growth prospects.

Risks Relating to the PRC

The Group's business, financial condition, results of operations and prospects could be adversely affected by the PRC economy.

A substantial part of the Group's revenue is derived in the PRC. The Group relies, to a significant degree, on domestic demand for railway, property and its other projects to achieve revenue growth. Such

domestic demand is materially affected by industrial development, growth of private consumption and overall economic growth in the PRC.

According to statistics released by the National Bureau of Statistics of the PRC, the PRC's gross domestic product ("**GDP**") year-on-year growth rate was 5.0 per cent. in 2025, which remained steady from the figure in 2024. Although the PRC Government has recently taken several measures with the intention of increasing investor confidence in the PRC economy, there can be no assurance that such measures will be effective. There can be no assurance that the PRC Government will continue to implement reforms which may conflict with such targeted growth. The Group's business, financial conditions and results of operations could be adversely affected by the PRC Government's inability to effect timely economic reforms.

Any slowdown in the PRC economy may increase the Group's exposure to material losses from its investments, decrease the opportunities for developing the Group's businesses, create a credit tightening environment, increase the Group's financing costs, or reduce government subsidies to the Group, any of which may result in a material adverse effect on the Group's business, results of operations and financial condition.

If the weakened global economic recovery continues or a global recession recurs, any slowdown of the PRC economy may create a credit tightening environment, increase the Group's interest expense, or reduce domestic demand for the Group's railway, property and other projects, resulting in an adverse negative effect on its business, results of operations and financial condition.

Interpretation and enforcement of the laws and regulations in the PRC may involve uncertainties.

Since 1979, the PRC Government has begun to promulgate a comprehensive system of laws and has introduced many new laws and regulations to provide general guidance on economic and business practises in the PRC and to regulate foreign investment. Progress has been made in the promulgation of laws and regulations dealing with economic matters, such as corporate organisation and governance, foreign investment, commerce, taxation and trade. The promulgation of changes to existing laws and the abrogation of local regulations by national laws could have a negative impact on the business and prospects of the Group. In addition, as these laws, regulations and legal requirements are relatively recent, their interpretation and enforcement may involve significant uncertainties. The interpretation of PRC laws may be subject to domestic political and policy changes.

Adverse changes in political, social and economic policies of the PRC Government could have a material and adverse effect on the overall economic growth of the PRC, which could in turn affect the Group's business and prospects.

In recent years, the PRC Government has implemented measures emphasising market forces for economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises. However, a large portion of productive assets in the PRC are still owned by the PRC Government. The PRC Government continues to play a significant role in regulating industrial development, the allocation of resources, production, pricing and management, and there can be no assurance that economic reforms will not have an adverse effect on the Group's business.

The Group's operations and financial results could also be materially and adversely affected by changes in political, economic and social conditions or the relevant policies of the PRC Government, such as changes in laws and regulations (or the interpretation thereof). For example, the PRC Government may decide to change its current policies with respect to railway development and projects, property development and mining, and as such, this could have adverse impact on the Group's business and results of operations. The Group's operating results and financial condition may also be materially and adversely affected by other changes in taxation and changes in state policies affecting the industries in which the

Group operates. In addition, the growth of the Group's projects and business operations depends heavily on economic growth. If the PRC's economic growth slows down or if the PRC economy experiences a recession, the Group's business prospects may be materially and adversely affected. The Group's operations and financial results, as well as its ability to satisfy its obligations under the Notes, could also be materially and adversely affected by changes in measures which might be introduced to control inflation, changes in the rate or method of taxation, the imposition of additional restrictions on currency conversion and the imposition of additional import restrictions.

Risks Relating to the Issuer and the Company

The Issuer depends on the Guarantor and other Group members for payments under the Notes.

The Issuer was established specifically for the purpose of raising finance for the purposes of issuing debt securities and onlending the net proceeds from the issue of any debt securities to the Guarantor's subsidiaries. The repayment obligations under the Notes remain the obligations of the Issuer and/or the Guarantor. The Issuer does not and will not have any business activities other than the issue of debt securities, and its ability to make payments under the Notes will depend on their receipt of timely remittance of funds from the Guarantor and/or its subsidiaries and other members of the Group. There is no assurance that the Issuer will be able to receive sufficient funds from the Guarantor and/or its subsidiaries and other members of the Group to make payments under the Notes. There is also no assurance on the Issuer's financial condition for its being owned or controlled by the State.

The financial information as at and for the six months ended 30 June 2025 and 2026 has not been audited.

The financial information as at and for the six months ended 30 June 2025 and 2026 has not been audited by the Group's independent accountants, or any other independent accountants. Such financial information should not be relied upon by potential investors to provide the same quality of information associated with information that has been subject to an audit. Consequently, none of the Joint Lead Managers, the Trustee, the Agents (or any of their respective affiliates, directors, officers, employees, representatives, advisers, agents and each person who controls any of them) makes any representation or warranty, express or implied, regarding the accuracy of such financial statements or their sufficiency for an assessment of, and potential investors must exercise caution when using such data to evaluate the Company's financial condition, results of operations and results. Such information should not be taken as an indication of the expected financial condition, results of operations and results of the Company for the full financial year ending 31 December 2026.

Risks Relating to the Notes and the Guarantee of the Notes

Investors who are considered U.S. Persons for purposes of the Executive Order may not invest in the Notes.

U.S. Executive Order 13959, as amended by Executive Order 14032, (together, the "**Executive Order**") prohibits "U.S. Persons" (defined under the Executive Order, as "any United States citizen, lawful permanent resident, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States") from purchasing or selling "any publicly traded securities, or any publicly traded securities that are derivative of such securities or are designed to provide investment exposure to such securities" (each a "**Restricted Security**") of any person identified in the Annex to the Executive Order, as amended, including the Guarantor, or designated by the U.S. Secretary of the Treasury pursuant to the Executive Order, as amended, on the Non-SDN Chinese Military-Industrial Complex Companies List. Investors are responsible for ensuring that they comply with the Executive Order and any related regulations or official guidance issued by the Office of Foreign Assets Control of the Department of the Treasury. Investors who are considered U.S. Persons for purposes of the Executive Order should consider whether this is an appropriate investment.

The Notes may not be a suitable investment for all investors.

The Notes are complex financial instruments and may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;

(iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

An active trading market for the Notes may not develop, and liquidity of the Notes may be adversely affected if the Notes are held by or allocated to limited investors.

The Notes is a new issue of securities for which there is currently no trading market. Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes on the Hong Kong Stock Exchange. No assurance can be given that an active trading market for the Notes will develop or as to the liquidity or sustainability of any such market, the ability of Holders to sell their Notes or the price at which Holders will be able to sell their Notes. There can be no assurance that certain of the Joint Lead Managers and/or their affiliates will not initially purchase a significant portion of the Notes for asset management and/or proprietary purposes but not with a view to distribution. Liquidity of the Notes will be adversely affected if the Notes are held by or allocated to limited investors. None of the Joint Lead Managers is obliged to make a market in the Notes and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Joint Lead Managers. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, Holders will only be able to resell their Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

Notes which have a denomination that is not an integral multiple of the minimum specified denomination may be illiquid and difficult to trade.

The denominations of the Notes are CNY1,000,000 and integral multiples of CNY10,000 in excess thereof. Therefore, it is possible that the Notes may be traded in amounts in excess of CNY1,000,000 that

are not integral multiples of CNY1,000,000. In such a case, a Holder who, as a result of trading such amounts, holds a principal amount of less than CNY1,000,000 in respect of the Notes will not receive a definitive certificate in respect of such holding of Notes (should definitive certificates be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more denominations. If definitive certificates are issued, Holders should be aware that Notes with aggregate principal amounts that are not an integral multiple of CNY1,000,000 may be illiquid and difficult to trade.

The Issuer may issue additional Notes in the future.

The Issuer may, from time to time, and without prior consultation of the Noteholders, create and issue further Notes (see "*Terms and Conditions of the Notes — Further Issues*") or otherwise raise additional capital through such means and in such manner as it may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Notes.

The Issuer may raise additional capital which affects the price of the Notes.

The Issuer may raise additional capital through the issue of other securities or other means. Other than certain restrictions on issuing certain secured indebtedness or guaranteed indebtedness as set out in Condition 3(a) (*Negative Pledge*) of the Terms and Conditions of the Notes, there is no restriction, contractual or otherwise, on the amount or type of securities or other liabilities which the Issuer may issue or incur and which rank senior to, or *pari passu* with, the Notes. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders on a winding-up of the Issuer. The issue of any such securities or the incurrence of any such other liabilities might also have an adverse impact on the trading price of the Notes and/or the ability of Holders to sell their Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Potential investors should consult their legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The liquidity and price of the Notes following the offering may be volatile.

The price and trading volume of the Notes may be highly volatile. Factors such as variations in the Group's turnover, earnings and cash flows, proposals for new investments, strategic alliances and/or acquisitions, changes in interest rates, fluctuations in price for comparable companies, government regulations and changes thereof applicable to the department store industry and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the trading volume and price of the Notes. There is no assurance that these developments will not occur in the future.

The Issuer will follow the applicable corporate disclosure standards for debt securities listed on the Hong Kong Stock Exchange, which standards may be different from those applicable to companies in certain other countries.

The Issuer will be subject to reporting obligations in respect of the Notes to be listed on the Hong Kong Stock Exchange. The disclosure standards imposed by the Hong Kong Stock Exchange may be different than those imposed by securities exchanges in other countries or regions. As a result, the level of information that is available may not correspond to what Noteholders are accustomed to.

The ratings of the Notes may be downgraded or withdrawn.

The Notes are expected to be assigned a rating of "A3" by Moody's.

The ratings represent only the opinions of the rating agency and its assessment of the ability of the Issuer and the Guarantors to perform their respective obligations under the Notes and the Guarantee of the Notes and their credit risks in determining the likelihood that payments will be made when due under the Notes. Ratings are not recommendations to buy, sell or hold the Notes and may be subject to suspension, reduction or withdrawn at any time. Neither the Issuer or the Guarantor is obligated to inform Noteholders if the ratings are lowered or withdrawn. Each rating should be evaluated independently of the other rating.

A downgrade or withdrawal of the ratings may materially and adversely affect the market price of the Notes and the Issuer's ability to access the debt capital markets.

Changes in interest rates may have an adverse effect on the price of the Notes.

The Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the prices of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the prices of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

The Notes are redeemable in the event of certain withholding taxes being applicable.

No assurances are made by the Issuer or the Guarantor as to whether or not payments on the Notes may be made without withholding taxes or deductions applying from the Issue Date on account of any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong or the PRC or any subdivision or authority therein or thereof having power to tax. Although pursuant to the Terms and Conditions of the Notes, the Issuer and the Guarantor are required to gross up payments on account of any such withholding taxes or deductions, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 September 2026 where the Issuer or the Guarantor has or will become obligated to pay additional tax and such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it.

The Trustee may request Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction.

In certain circumstances, including without limitation giving notice to the Issuer pursuant to Condition 8 (*Events of Default*) of the Terms and Conditions of the Notes and taking enforcement steps pursuant to Condition 13 (*Enforcement*) of the Terms and Conditions of the Notes, the Trustee may, at its sole and absolute discretion, request Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction before it takes actions on behalf of Noteholders. The Trustee shall not be obliged to take any such actions if not indemnified and/or pre-funded and/or provided with security to its satisfaction. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity, security and/or pre-funding to it, in breach of the terms of the Trust Deed, the Deed of Guarantee or the Terms and Conditions of the Notes and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law or regulations, it will be for the Noteholders to take such actions directly.

Decisions that may be made on behalf of all Noteholders may be adverse to the interests of individual Noteholders.

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of Noteholders may be adverse to the interests of individual Noteholders.

The Issuer may be unable to redeem the Notes.

On certain dates, including the occurrence of an early redemption event and at maturity of the Notes, the Issuer may, and at maturity, will be required to redeem all of the Notes. If such an event were to occur, the Issuer may not have sufficient cash in hand and may not be able to arrange financing to redeem the Notes in time, or on acceptable terms, or at all. The ability to redeem the Notes in such event may also be limited by the terms of other debt instruments. Failure to redeem the Notes by the Issuer, in such circumstances, would constitute an event of default under the Notes, which may also constitute a default under the terms of other indebtedness of the Guarantor and its subsidiaries.

The Issuer's ability to make payments under the Notes will depend on timely payments under on lent loans of the proceeds from the issue of the Notes to the Guarantor and its subsidiaries.

The Issuer is a wholly-owned subsidiary of the Guarantor formed for the principal purpose of issuing the Notes and will onlend the entire proceeds from the issue of the Notes to the Guarantor and its subsidiaries. The Issuer does not and will not have any net assets other than such on lent loans and its ability to make payments under the Notes depends on timely payments under such loans. In the event that the Guarantor and its subsidiaries do not make such payments due to limitation in such loans or other agreements, lack of available cash flow or other factors, the Issuer's ability to make payments under the Notes may be adversely affected.

The Notes may be redeemed early at the Issuer's option.

The Notes may be redeemed at the option of the Issuer in whole, but not in part at any time on or after 29 August 2036, on giving not less than 30 or more than 60 days' irrevocable notice to the Noteholders (in accordance with Condition 15 *(Notices)* of the Terms and Conditions of the Notes) and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption. During any period when the Issuer may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Notes and the Guarantee of the Notes will be structurally subordinated to the existing and future indebtedness and other liabilities of the Issuer's and the Guarantor's existing and future subsidiaries, other than the Issuer, and effectively subordinated to the Issuer's and the Guarantor's secured debt to the extent of the value of the collateral securing such indebtedness.

The Notes and the Guarantee of the Notes will be structurally subordinated to any debt and other liabilities and commitments, including trade payables and lease obligations, of the Issuer's and the Guarantor's existing and future subsidiaries, other than the Issuer, whether or not secured. The Notes will not be guaranteed by any of the Issuer's and the Guarantor's subsidiaries, and the Issuer and the Guarantor may not have direct access to the assets of such subsidiaries unless these assets are transferred by dividend or otherwise to the Issuer or the Guarantor. The ability of such subsidiaries to pay dividends or otherwise transfer assets to the Issuer and the Guarantor is subject to various restrictions under applicable law. Each of the Issuer's and the Guarantor's subsidiaries are separate legal entities that have

no obligation to pay any amounts due under the Notes or the Guarantee of the Notes or make any funds available therefore, whether by dividends, loans or other payments.

The Issuer's and the Guarantor's right to receive assets of any of the Issuer's and the Guarantor's subsidiaries, respectively, upon that subsidiary's liquidation or reorganisation will be effectively subordinated to the claim of that subsidiary's creditors (except to the extent that the Issuer or the Guarantor are creditors of that subsidiary). Consequently, the Notes and the Guarantee of the Notes will be effectively subordinated to all liabilities, including trade payables and lease obligations, of any of the Issuer's and the Guarantor's subsidiaries, other than the Issuer, and any subsidiaries that the Issuer or the Guarantor may in the future acquire or establish.

The Notes and the Guarantee of the Notes are the Issuer's and the Guarantor's unsecured obligations, respectively, and will (i) rank equally in right of payment with all the Issuer's and the Guarantor's other present and future unsecured indebtedness; (ii) be effectively subordinated to all of the Issuer's and the Guarantor's present and future secured indebtedness to the extent of the value of the collateral securing such obligations; and (iii) be senior to all of the Issuer's and the Guarantor's present and future subordinated obligations. As a result, claims of secured lenders, whether senior or junior, with respect to assets securing their loans will be prior with respect to those assets. In the event of the Issuer's or the Guarantor's bankruptcy, insolvency, liquidation, reorganisation, dissolution or other winding up, or upon any acceleration of the Notes, these assets will be available to pay obligations on the Notes only after all other debt secured by these assets has been repaid in full. Any remaining assets will be available to the Noteholders ratably with all of the Issuer's or the Guarantor's other unsecured creditors, including trade creditors. If there are not sufficient assets remaining to pay all these creditors, then all or a portion of the Notes then outstanding would remain unpaid.

The PRC Government has no payment or other obligations under the Notes.

The PRC Government is not an obligor and shall under no circumstances have any obligation arising out of or in connection with the Notes, or in lieu of the Issuer or the Guarantor. This position has been reinforced by the Circular of the Ministry of Finance on Issues relevant to the Regulation on the Investment and Financing Activities Conducted by Financial Institutions for Local Governments and State-owned Enterprises (財政部關於規範金融企業對地方政府和國有企業投融資行為有關問題的通知，財金[2018]23號), (the "**MOF Circular**") promulgated on 28 March 2018 and which took effect on the same day, and the Circular of the National Development and Reform Commission and the Ministry of Finance on Improvement of Market Regulatory Regime and Strict Prevention of Foreign Debt Risks and Local Government Indebtedness Risks (國家發展改革委，財政部關於完善市場約束機制嚴格防範外債風險和地方債務風險的通知，發改外資[2018]706號) (the "**Joint Circular**") promulgated on 11 May 2018 and which took effect on the same day.

The PRC Government controls the Guarantor and has limited liability in the form of its equity contribution in the Guarantor in accordance with the PRC Company Law. As such, the PRC Government does not have any payment obligations under the Notes or the Deed of Guarantee. The Notes is solely to be repaid by the Issuer and the Guarantee by the Guarantor, each as an obligor under the relevant transaction documents and as an independent legal person. Furthermore, the ownership or control of the Guarantor and Issuer by SASAC does not necessarily correlate to, or provide any assurance as to the Guarantor or Issuer's financial condition.

Modifications and waivers may be made in respect of the Terms and Conditions of the Notes, the Trust Deed, the Deed of Guarantee or the Agency Agreement by the Trustee or less than all of the holders of the Notes.

The Terms and Conditions of the Notes will contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions will permit defined majorities to bind all Noteholders, including those Noteholders who do not attend, participate or vote at the relevant meeting, written resolution or electronic consent and those Noteholders who vote in a manner contrary to the majority. Furthermore, there is a risk that the decision of a majority of Noteholders may be adverse to the interests of individual Noteholders.

The Terms and Conditions of the Notes also provide that the Trustee may (but shall not be obliged to), without the consent of Noteholders, agree to any modification (except as mentioned in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of any of the Notes or any of the provisions of the Deed of Guarantee, the Trust Deed or the Agency Agreement which in its opinion, the interests of the Noteholders will not be materially prejudiced thereby, and may (but shall not be obliged to) agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error. Any such authorisation, waiver or modification shall be binding on the Noteholders and unless the Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders by the Issuer as soon as practicable thereafter.

The Group receives support from the PRC government and there can be no assurance that the Group will continue to receive such support in the future.

China Railway Construction Corporation, the Controlling Shareholder of the Guarantor, is one of the state-owned key backbone companies directly owned by the central government, and the Group has received business and financial support from the PRC government. However, the Group has no control over the grant of subsidies or the policies governing the grant of government subsidies. There can be no assurance that the current government policies that are favourable to the Group will not change in the future and the Group will continue to obtain support from the PRC government. Any changes or withdrawal of support from the PRC government may have an adverse effect on the Group's business, financial condition, results of operations and prospects.

Any failure to complete the relevant filings under the NDRC Foreign Debt Measures within the prescribed time frame following the completion of the issue of the Notes may have adverse consequences for the Issuer, the Guarantor and/or the investors of the Notes.

On 14 September 2015, the NDRC issued the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知(發改外資[2015]2044號)) which came into effect on the same day (the "**NDRC Circular**"). On 5 January 2023, the NDRC published the Administrative Measures for the Examination and Registration of Medium and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法) (the "**NDRC Foreign Debt Measures**"), which came into effect on 10 February 2023 and repealed the NDRC Circular on the same date. The NDRC Foreign Debt Measures apply to medium and long-term foreign debts with a maturity of more than one year that are borrowed from overseas by enterprises within the territory of the PRC and by overseas enterprises or branches controlled by aforementioned PRC enterprises, denominated in local or foreign currency, and of which principal is repaid with payment of interest as agreed. Domestic enterprises and their overseas controlled entities shall obtain from the NDRC a pre-issuance registration certificate prior to issuing offshore debt securities. The Issuer has registered the issuance of the Notes with the NDRC and obtained an Enterprise Foreign Debt Review and Registration Certificate (《企業借用外債審核登記證明》) from NDRC on 23 October 2025 evidencing such registration (the "**NDRC Certificate**"). The Issuer undertakes to complete the NDRC Post-issue Filing within the prescribed time period after the Issue Date according to

the NDRC Foreign Debt Measures and shall comply with regulations regarding risk management and interim and ex-post supervision of the NDRC Foreign Debt Measures and any other rules and regulations promulgated by the NDRC in relation with the supervision and management of foreign debt from time to time. For any enterprise failing to comply with filing and reporting requirements under the NDRC Foreign Debt Measures, the NDRC will order such enterprise to take rectification actions within a prescribed time limit; and if the circumstances are severe or the enterprise fails to take rectification action within the prescribed time limit, give a warning to the relevant enterprise and its principal liable person. Furthermore, conducts in violation of the NDRC Foreign Debt Measures committed by enterprises will be publicised on, among others, the Credit China (信用中國) website and the National Enterprise Credit Information Publicity System (國家企業信信息訊公示系統). As new regulation, the NDRC Foreign Debt Measures will be subject to interpretation and application by the relevant PRC authorities, and it remains unclear what impact non-compliance will have on the Notes. Potential investors in the Notes are advised to exercise due caution when making their investment decisions.

If the Guarantor fails to complete the SAFE registration in connection with the Guarantee of the Notes, there may be hurdles for cross-border payment under the Guarantee of the Notes.

Under the Guarantee of the Notes, the Guarantor will unconditionally and irrevocably undertake to guarantee the due payment of all sums expressed to be payable by the Issuer due under the Notes and the Trust Deed. The obligations of the Guarantor will be contained in the Deed of Guarantee.

The Guarantor is required by the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014 (the "**Cross-Border Guarantee Provisions**") to register the Guarantee of the Notes with SAFE within 15 working days of the date of execution of the Deed of Guarantee. Although the non-registration does not render the Guarantee of the Notes ineffective or invalid under PRC laws, SAFE may impose penalties on the Guarantor if the Guarantor fails to complete the SAFE registration. Further, there may be hurdles at the time of remittance of funds (if any cross-border payment is to be made by the Guarantor under the Guarantee of the Notes) as domestic banks may require evidence of SAFE registration in connection with the Guarantee of the Notes in order to effect such remittance. The Guarantor intends to register the Guarantee of the Notes as soon as practicable within the prescribed time period in accordance with the Cross-Border Guarantee Provisions and in the opinion of the Guarantor's PRC legal advisers, subject to any contrary interpretation by SAFE, there is no legal impediment to completion of such registration. A failure to complete the SAFE registration and satisfy the Registration Condition (as defined in the Terms and Conditions of the Notes) on or before the Registration Deadline would result in a Non-Registration Event, which constitutes a Relevant Event, and would also give the Holder of any Note to have the right, at such Holder's option, to require the Issuer to redeem all but not only some of that Holder's Note on the Put Settlement Date (as defined in the Terms and Conditions of the Notes) at 100 per cent. of their principal amount, together with interest accrued up to, but excluding, the Put Settlement Date. Prior to the performance or discharge of its obligations under the Guarantee of the Notes, the Guarantor is also required to complete a verification process with banks for each remittance under the Guarantee of the Notes.

The interpretation of the Cross-Border Guarantee Provisions (as well as any implementation rules as issued by SAFE from time to time, including the Circular of the State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Management and Improving Authenticity and Compliance Review (Hui Fa [2017] No. 3) (《國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知》(匯發[2017]3號)) as per which funds raised offshore under Nei Bao Wai Dai (內保外貸) ("**NBWD**") are allowed to be directly or indirectly repatriated to the PRC by means of loans or equity investments) may involve uncertainty, such as the Policy Questions and Answers (second batch) of the Notice of the State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Administration and Improving the Examination of Authenticity and

Compliance (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知(匯發[2017]3號)政策回答(第二期)), under which an overseas debtor transfers funds of overseas loans under domestic guarantee in the form of foreign debt for domestic use, the domestic institution borrowing such funds shall meet the relevant current requirements for foreign debt administration, and complete foreign debt registration, to make equity investment in a domestic institution with funds of overseas loans under domestic guarantee, an overseas debtor shall meet the administrative provisions of the relevant competent departments on foreign direct investment. There is no assurance that the registration of the Guarantee of the Notes with SAFE can be completed or that the registration with SAFE obtained by the Guarantor will not be revoked or amended in the future or that future changes in PRC laws and regulations will not have a negative impact on the validity and enforceability of the Guarantee of the Notes in the PRC.

The insolvency laws of Hong Kong, the PRC and other local insolvency laws may differ from those of other jurisdictions with which the Holders of the Notes are familiar.

As the Issuer is incorporated under the laws of Hong Kong and the Guarantor is incorporated under the laws of the PRC, any insolvency proceeding relating to the Issuer or the Guarantor, even if brought in other jurisdictions, would likely involve insolvency laws of Hong Kong or the PRC, respectively, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Holders of the Notes are familiar.

Additional procedures may be required to be taken to bring English law governed matters or disputes to the Hong Kong courts. There is also no established practice in the PRC courts for the recognition and enforcement of judgments of the Hong Kong courts in respect of English law governed matters or disputes.

The Notes, the Trust Deed, the Agency Agreement and the Deed of Guarantee are governed by English law, whereas parties to these documents have submitted to the exclusive jurisdiction of the Hong Kong courts. In order to hear English law governed matters or disputes, Hong Kong courts may require certain additional procedures to be taken.

On 18 January 2019, the Supreme People's Court of the PRC and the Hong Kong government signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "**2019 Arrangement**"). The 2019 Arrangement has been implemented in Hong Kong by the Mainland Judgments in Civil and Commercial Matters (Reciprocal Enforcement) Ordinance (Cap. 645), which came into operation on 29 January 2024. In the Chinese mainland, the Supreme People's Court promulgated a judicial interpretation to implement the 2019 Arrangement on 25 January 2024 (the "**Judicial Interpretation**"). The 2019 Arrangement applies to judgments made on or after 29 January 2024.

Unlike other notes issued in the international capital markets where holders of such notes would typically not be required to submit to an exclusive jurisdiction, the Noteholders will be deemed to have submitted to the exclusive jurisdiction of the Hong Kong courts. Thus, the Noteholders' ability to initiate a claim outside Hong Kong will be limited.

Under the 2019 Arrangement, where the Hong Kong court has given a legally effective judgment in a civil and commercial matter, any party concerned may apply to the relevant People's Court of the Chinese mainland for recognition and enforcement of the judgment, subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement and the Judicial Interpretation. The recognition and enforcement of a Hong Kong court judgment could be refused if the relevant People's Court of the Chinese mainland consider that the enforcement of such judgment is contrary to the basic principles of law of the Chinese mainland or the social and public interests of the Chinese mainland.

While it is expected that the relevant People's Courts of the Chinese mainland will recognise and enforce a judgment given by a Hong Kong court and governed by English law, there can be no assurance that such courts will do so for all such judgments as there is no established practice in this area.

The Notes will be represented by a Global Note Certificate and holders of a beneficial interest in a Global Note Certificate must rely on the procedures of the Clearing Systems.

The Notes will be represented by beneficial interests in a Global Note Certificate, which will be registered in the name of, and lodged with a sub-custodian for, the HKMA as operator of the CMU. Beneficial interests in the Global Note Certificate will be shown on and transfers thereof will be effected only through records maintained by the CMU. Except in the circumstances described in the Global Note Certificate, investors of the Notes will not be entitled to receive individual Note certificates.

While the Notes will be represented by the Global Note Certificate and the Global Note Certificate is held on behalf of the Operator, the CMU Lodging and Paying Agent will make payments to the Operator who will make payments to each CMU participant who is for the time being shown in the records of the Operator as the holder of a particular principal amount of the Notes (each an "**accountholder**").

A holder of a beneficial interest in a Global Note Certificate must rely on the procedures of the CMU to receive payments under the Notes. Neither the Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any such Global Note Certificate.

Holders of beneficial interests in a Global Note Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the CMU to appoint appropriate proxies.

If the Issuer or the Guarantor is unable to comply with the restrictions and covenants in their respective debt agreements, there could be a default under the terms of these agreements, which could cause repayment of their respective debt to be accelerated.

If the Issuer or the Guarantor is unable to comply with their respective current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer and the Guarantor, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be. Furthermore, some of the Issuer's or the Guarantor's debt agreements contain cross-acceleration or cross-default provisions. As a result, the Issuer's or the Guarantor's default under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Notes, or result in a default under the Issuer's or the Guarantor's other debt agreements. If any of these events occur, the Issuer and the Guarantor cannot assure Holders that their respective assets and cash flows would be sufficient to repay in full all of their respective indebtedness, or that the Issuer and the Guarantor would be able to find alternative financing. Even if they could obtain alternative financing, they cannot assure holders that it would be on terms that are favourable or acceptable to them.

The Guarantor's subsidiaries, jointly controlled entities and associated companies are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to the Guarantor, its jointly controlled entities and associated companies.

As a holding company, the Guarantor depends on the receipt of dividends and the interest and principal payments on intercompany loans or advances from its subsidiaries, jointly controlled entities and associated companies to satisfy its obligations, including its obligations under the Notes and the Guarantee of the Notes. The ability of the Guarantor's subsidiaries, jointly controlled entities and

associated companies to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of these companies, applicable laws and restrictions contained in the debt instruments of such companies. The Guarantor cannot assure that its subsidiaries, jointly controlled entities and associated companies will have distributable earnings or will be permitted to distribute their distributable earnings to it as it anticipates, or at all. In addition, dividends payable to it by these companies are limited by the percentage of its equity ownership in these companies. Further, if any of these companies raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to the Guarantor to make payments on the Notes. These factors could reduce the payments that the Guarantor receives from its subsidiaries, jointly controlled entities and associated companies, which would restrict its ability to meet its payment obligations under the Notes and the Guarantee of the Notes.

PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations. The PRC subsidiaries, jointly controlled entities and associated companies of the Guarantor are also required to set aside a portion of their post tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends. In addition, starting from 1 January 2008, dividends paid by such PRC subsidiaries, jointly controlled entities and associated companies to their non-PRC parent companies will be subject to a 10.00 per cent. withholding income tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated which specifically exempts or reduces such withholding income tax. Pursuant to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排) together with related implementation rules, if a non-PRC parent company is a Hong Kong resident and directly holds a 25.00 per cent. or more interest in a PRC enterprise for at least 12 consecutive months immediately prior to receiving the dividends, and subject to certain other requirements, this withholding income tax rate may be lowered to 5.00 per cent. Moreover, according to the Circular of the State Administration of Taxation on Relevant Issues Concerning the Implementation of Dividend Clauses in Tax Treaties (國家税務總局關於執行税收協定股息條款有關問題的通知) issued by the SAT in February 2009, if the main purpose of an offshore arrangement is to obtain a preferential tax treatment, the PRC tax authorities have the discretion to adjust a preferential tax rate of an offshore entity to the relevant tax rate that it otherwise would have been eligible for. The Guarantor cannot provide assurance that the PRC tax authorities will grant approvals on the 5.00 per cent. withholding income tax rate on dividends received by it or its subsidiaries, jointly controlled entities and associated companies in Hong Kong from their respective PRC subsidiaries, jointly controlled entities and associated companies. As a result of such factors, the Guarantor could face difficulties in making payments required by the Notes or satisfying obligations under the Guarantee of the Notes.

The Issuer may be treated as a PRC resident enterprise for PRC tax purpose, which may subject the Issuer to PRC income taxes on its worldwide income and interest payable by the Issuer to foreign investors and gains on the transfer of the Notes may be subject to income tax under PRC tax laws.

The Issuer was incorporated under the laws of Hong Kong as a public company. Pursuant to the EIT Law and its implementation regulations, enterprises that are established under the laws of foreign countries and regions but whose "de facto management bodies" are within the PRC are treated as PRC tax resident enterprises for the purposes of the EIT Law. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management body" of the Issuer is within the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purposes of the EIT Law and income or gains paid with respect to the Notes may be considered to be a source derived from within the PRC.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Notes by Holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Notes by individual Holders who are not PRC citizens or residents will be subject to PRC individual income tax. In the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, the Issuer would be subject to PRC enterprise income tax at the rate of 25.00 per cent. on their global income, and interest paid on the Notes may be considered to be a source from within PRC. If such gains are subject to PRC income tax, the 10.00 per cent. enterprise income tax rate and 20.00 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Notes *minus* all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to an arrangement between Chinese mainland and Hong Kong for the avoidance of double taxation (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》, the "**Arrangement**"), the PRC income tax on capital gains derived from a sale or exchange of the Notes to Holders who are Hong Kong residents, including both enterprise Holders and individual Holders, will be 7 per cent. of the gross amount of the interest pursuant to the Arrangement and relevant interpretation of the Arrangement formulated by SAT. If a Holder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax on gains on the transfer of the Notes, the value of the relevant Holders' investment in the Notes may be materially and adversely affected.

Gains on the transfer of the Notes may be subject to income tax under PRC tax laws.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Notes by Holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as incomes derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained incomes derived from sources within the PRC. In addition, there is uncertainty as to whether gains realised on the transfer of the Notes by individual Holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10.00 per cent. enterprise income tax rate and 20.00 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such income tax. The taxable income will be the balance of the total income obtained from the transfer of the Notes *minus* all costs and expenses that are permitted under PRC tax laws to be deducted from the income.

According to the Arrangement, the PRC income tax on capital gains derived from a sale or exchange of the Notes to Holders who are Hong Kong residents, including both enterprise Holders and individual Holders, will be 7 per cent. of the gross amount of the interest pursuant to the Arrangement and relevant interpretation of the Arrangement formulated by SAT.

If a Holder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax on gains on the transfer of the Notes, the value of the relevant Holders' investment in the Notes may be materially and adversely affected.

On 23 March 2016, the MOF and the SAT issued the "Notice on the Comprehensive Roll-out of the Business Tax to Value Added Tax Transformation Pilot Program" (財政部、國家税務總局關於全面推開

營業稅改徵增值稅試點的通知, *CAISHUI [2016] No. 36*, "**Circular 36**") which confirms that business tax will be completely replaced by VAT from 1 May 2016 where entities or individuals sell services, intangible properties or real properties within PRC. Since then, the income derived from the provision of financial services which attracted business tax will be entirely replaced by, and subject to, VAT. VAT is unlikely to apply to any transfer of Notes between entities or individuals located outside of the PRC and therefore unlikely to apply to gains realised upon such transfers, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Notes is located inside the PRC. However, Circular 36 and the PRC laws and regulations pertaining to VAT will depend on how the PRC tax authorities interpret, apply or enforce Circular 36 and its implementation rules, and the applicability of such laws and regulations involve uncertainties.

If a Holder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax or VAT on gains on the transfer of the Notes, the value of the relevant Holder's investment in the Notes may be adversely affected.

Investors shall be aware of the effect of changes of law.

The "*Terms and Conditions of the Notes*" are based on English law in effect as at the date hereof. No assurance can be given as to the impact of any possible judicial decision or change to English law, or administrative practices after the date of this Offering Circular and any such change could materially adversely impact the value of any Notes affected by it.

The Notes being issued as green notes may not be a suitable investment for all investors seeking exposure to sustainable assets.

In connection with the issue of the Notes, the Issuer engaged Moody's Investor Service to provide a second party opinion in relation to the Notes (the "**Second Party Opinion**"). The Second Party Opinion is not incorporated into, and does not form part of, this Offering Circular. The Second Party Opinion is not a recommendation to buy, sell or hold securities and are only current as of its date of issue and is subject to certain disclaimers set out therein. Furthermore, the Second Party Opinion is for information purposes only and Moody's Investor Service does not accept any form of liability for the substance of the Second Party Opinion and/or any liability for loss arising from the use of the Second Party Opinion and/or the information provided in it. As at the date of this Offering Circular, the providers of such Second Party Opinion are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein.

Whilst the Issuer has agreed to certain obligations relating to reporting and use of proceeds as described under the sections headed "Green Finance Framework" and "Use of Proceeds", it would not be an Event of Default under the Terms and Conditions of the Notes if (i) the Issuer were to fail to comply with such obligations or were to fail to use the proceeds of the issue of the Notes, in the manner specified in this Offering Circular and/or (ii) the Second Party Opinion issued in connection with such Notes were to be withdrawn. Any failure to use the proceeds of the issue of the Notes in connection with green projects, and/or any failure to meet, or to continue to meet, the investment requirements of certain investors with environmental and/or social concerns with respect to such Notes, may affect the value and/or trading price of the Notes, and/or may have consequences for certain investors with portfolio mandates to invest in green or social projects. In the event that the Notes are included in any dedicated "green", "environmental", "social", "sustainable" or other equivalently-labelled index, no representation or assurance is given by the Issuer or any other person that such listing or admission, or inclusion in such index, satisfies any present or future investor expectations or requirements as regards to any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own constitutive documents or other governing rules or investment portfolio mandates.

None of the Issuer, the Guarantor, the Group, the Joint Lead Managers, the Trustee, the Agents or any of their respective affiliates, directors, officers, employees, representatives, advisers or agents or any person who controls any of them makes any representation as to the suitability for any purpose of the Second Party Opinion Report or (i) whether the Notes will meet investor criteria and expectations regarding environmental impact and sustainability performance for any investors or (ii) whether the net proceeds will be used to finance and/or refinance, in whole or in part, existing Eligible Projects as further described in "Green Finance Framework". Each potential purchaser of the Notes should have regard to the eligibility criteria described under the sections headed "Green Finance Framework" and determine for itself the relevance of the information contained in this Offering Circular regarding the use of proceeds, and its purchase of any Notes should be based upon such investigation as it deems necessary.

Risks Relating to Notes denominated in Renminbi

Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected.

The Issuer will pay principal, premium and interest on the Notes in Renminbi (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of the Notes.

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, despite significant reduction in control by it in recent years over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. Participating banks in Hong Kong, Macau, Singapore, Taiwan, Seoul, Frankfurt, London, Paris, Luxembourg, Doha and Toronto have been permitted to engage in the settlement of current account trade transactions in Renminbi under certain pilot schemes.

On the other hand, remittance of Renminbi by foreign investors into the PRC for the settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are still being developed.

Although starting from 1 October 2016, Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the PBOC in 2018, there can be no assurance that the PRC government will continue to liberalise control over cross-border remittance

of Renminbi in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which will have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. Despite Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance their obligations under the Notes denominated in Renminbi.

Remittance of proceeds into or outside of the PRC in Renminbi may be subject to restrictions.

In the event that the Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there can be no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC governmental authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There can be no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the ability of the Issuer to source Renminbi outside the PRC to service such Notes.

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**") and is in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There can be no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent the Issuer is required to source Renminbi outside the PRC to service the Notes, there can be no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

TERMS AND CONDITIONS OF THE NOTES

The following, subject to amendment and save for the paragraphs in italics, are the Terms and Conditions of the Notes, substantially as they will appear on the reverse of each of the individual note certificates evidencing the Notes.

The CNY2,300,000,000 2.10 per cent. guaranteed notes due 2036 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 14 (*Further issues*) to be consolidated and forming a single series therewith) of CRCC Huayuan Limited (鐵建華源有限公司) (the "**Issuer**") was authorised by a resolution of the Board of Directors (as defined below) of the Issuer passed on 21 September 2026. The Notes are guaranteed by China Railway Construction Corporation Limited (the "**Guarantor**") pursuant to a deed of guarantee dated 29 September 2026 (the "**Deed of Guarantee**"). The giving of the Deed of Guarantee was authorised by a resolution of the Board of Directors of the Guarantor on 30 March 2026 and a resolution of the shareholders of the Guarantor dated 26 June 2026. The Notes are constituted by, are subject to, and have the benefit of, a trust deed dated 29 September 2026 (as amended, restated, replaced or supplemented from time to time, the "**Trust Deed**") between the Issuer, the Guarantor and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed) and are the subject of an agency agreement dated 29 September 2026 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the Guarantor, China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as CMU lodging and paying agent (the "**CMU Lodging and Paying Agent**", which expression includes any successor CMU lodging and paying agent appointed from time to time in connection with the Notes), the transfer agent named therein (the "**Transfer Agent**", which expression includes any successor or additional transfer agent appointed from time to time in connection with the Notes), the paying agent named therein (together with the CMU Lodging and Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes) and the Trustee. References herein to the "**Agents**" are to the Registrar, the CMU Lodging and Paying Agent, the Transfer Agents and the Paying Agents and any reference to an "**Agent**" is to any one of them. Certain provisions of these Conditions are summaries of the Deed of Guarantee, the Trust Deed and the Agency Agreement and are subject to their detailed provisions. The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Deed of Guarantee and the Trust Deed and are deemed to have notice of those provisions of the Agency Agreement applicable to them. Copies of the Deed of Guarantee, the Trust Deed and the Agency Agreement are available for inspection upon prior written request and satisfactory proof of holding by Noteholders during normal business hours (being 9:00 am (Hong Kong time) to 3:00 pm (Hong Kong time)) at the specified office for the time being of the Trustee, being at the date hereof 3/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong and at the Specified Offices (as defined in the Agency Agreement) of each of the Agents, the initial Specified Offices of which are set out below. All capitalised terms that are not defined in the Conditions have the same meanings given to them in the Trust Deed.

1. Form, Denomination, Status and Guarantee

(a) *Form and denomination*: The Notes are in registered form in the denominations of CNY1,000,000 and integral multiples of CNY10,000 in excess thereof (each, an "**Authorised Denomination**").

(b) *Status of the Notes*: The Notes constitute direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference or priority among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

(c) *Guarantee of the Notes*: The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. This guarantee (the "**Guarantee of the Notes**") constitutes a direct, general, unconditional, unsubordinated and (subject to Condition 3(a) (*Negative Pledge*)) unsecured obligation of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

*Upon issue, the Notes will be evidenced by a global note certificate (the "**Global Note Certificate**") substantially in the form scheduled to the Trust Deed. The Global Note Certificate will be registered in the name of, and lodged with a sub-custodian for, the Hong Kong Monetary Authority as operator (the "**Operator**") of the Central Moneymarkets Unit Service (the "**CMU**"), and will be exchangeable for definitive Note Certificates only in the circumstances set out therein. These Conditions are modified by certain provisions contained in the Global Note Certificate while any of the Notes are represented by the Global Note Certificate. See "Summary of Provisions Relating to the Notes in Global Form".*

*For so long as any of the Notes are represented by the Global Note Certificate, each person who is for the time being shown in the records of the Operator as the holder of a particular principal amount of Notes (the "**accountholder**") (in which regard any certificate or other document issued by the Operator as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Trustee, the CMU Lodging and Paying Agent, the Registrar, the Transfer Agent, the other Agents and the Operator as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Guarantor, the Trustee, the CMU Lodging and Paying Agent, the Registrar, the Transfer Agent, the other Agents and the Operator solely in the registered holder of the Global Note Certificate in accordance with and subject to its terms (and the expressions "Noteholder" and (in relation to a Note) "holder" and related expressions shall be construed accordingly). Notwithstanding the above, if the Global Note Certificate is held by or on behalf of the CMU, any payments that are made in respect of the Notes represented by the Global Note Certificate shall be made to the respective accountholders.*

2. Register, Title and Transfers

(a) *Register*: The Registrar will maintain a register (the "**Register**") in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly. A certificate (each, a "**Note Certificate**") will be issued to each Noteholder in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) *Title*: The Holder of each Note shall (except as ordered by a court of competent jurisdiction or otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder. Except as otherwise provided for in the Trust Deed, no person shall have any right to enforce any term or condition of the Notes, the Deed of Guarantee or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

(c) *Transfers*: Subject to paragraphs (f) (*Closed periods*) and (g) (*Regulations concerning transfers and registration*) below, a Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed and executed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Denominations. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor. No transfer of title to a Note will be valid unless and until entered on the Register.

Transfers of interests in the Notes evidenced by the Global Note Certificate will be effected in accordance with the rules of the relevant clearing systems.

(d) *Registration and delivery of Note Certificates*: Within five business days of receipt by the Registrar or (as the case may be) any Transfer Agent of a duly completed form of transfer, the surrender of a Note Certificate and provision of such evidence as the Registrar or (as the case may be) such Transfer Agent may require in accordance with paragraph (c) (*Transfers*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured mail to the address specified for the purpose by such relevant Holder. In this Condition 2 (*Register, Title and Transfers*), "**business day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

Except in the limited circumstances described in the Global Note Certificate, owners of interests in the Notes represented by the Global Note Certificate will not be entitled to receive physical delivery of definitive Note Certificates in respect of their individual holdings of the Notes. The Notes are not issuable in bearer form.

(e) *No charge*: The transfer of a Note will be effected without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent but against such payment or indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(f) *Closed periods:* Noteholders may not require transfers to be registered:

(i) during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes; or

(ii) after a Put Option Notice (as defined in Condition 5(c) (*Redemption for a Relevant Event*)) has been delivered in respect of the relevant Note(s) in accordance with Condition 5(c) (*Redemption for a Relevant Event*); or

(iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 6(e)).

(g) *Regulations concerning transfers and registration:* All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes, the initial form of which is scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Trustee and the Registrar, or by the Registrar with the prior written approval of the Trustee. A copy of the current regulations will be made available for inspection by the Registrar to any Noteholder upon prior written request and proof of holding and identity to the satisfaction of the Registrar at all reasonable times during normal business hours (being between 9:00 a.m. (Hong Kong time) and 3:00 p.m. (Hong Kong time), Monday to Friday other than public holidays).

3. Negative Pledge and Other Covenants

(a) *Negative Pledge:* So long as any Note remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor shall, and the Issuer and the Guarantor shall procure that none of the Guarantor's Material Subsidiaries will, create or permit to subsist any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness or Guarantee of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

(b) *Notification to NDRC:* The Guarantor shall:

(i) file or cause to be filed with the NDRC the requisite information and documents within the prescribed time period in accordance with the Administrative Measures for the Examination and Registration of Medium- and Long-Term Foreign Debts of Enterprises (企業中長期外債審核登記管理辦法(國家發展和改革委員會令第56號)), the "**NDRC Foreign Debt Measures**") issued by the NDRC and effective from 10 February 2023, and any implementation rules as issued by the NDRC from time to time (the "**NDRC Post-issue Filing**") and comply with all applicable PRC laws and regulations in connection with the Notes; and

(ii) within 10 PRC Business Days after submission of such NDRC Post-issue Filing (A) provide the Trustee with a certificate in English signed by any Authorised Signatory (as defined in the Trust Deed) of the Guarantor confirming the submission of the NDRC Post-issue Filing and (B) give notice to the Noteholders in accordance with Condition 15 (*Notices*) of the same.

The Trustee may rely conclusively on such certificate and shall have no obligation or duty to monitor or ensure the completion of (or otherwise assist with) the NDRC Post-issue Filing on or before the deadline referred to above or to verify the accuracy, validity and/or genuineness of any certificate, confirmation or other documents in relation to or in connection with the NDRC Post-issue Filing or to translate or procure that any document is translated into English or to give notice to the Noteholders confirming the submission of the NDRC Post-issue Filing, and shall not be liable to the Noteholders or any other person for not doing so.

(c) *Undertakings in relation to the Guarantee of the Notes:* The Guarantor shall:

(i) file or cause to be filed with SAFE for the registration of the Deed of Guarantee in accordance with, and within the time period prescribed by, the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014 (the "**Cross-Border Guarantee Provisions**"), and any implementation rules as issued by SAFE from time to time;

(ii) use its best endeavours to complete the Cross-Border Guarantee Provisions and obtain a registration record (or any other document evidencing the completion of registration issued by SAFE) from SAFE on or before the Registration Deadline;

(iii) comply with all applicable PRC laws and regulations in relation to the provision of the Guarantee of the Notes; and

(iv) within 10 PRC Business Days after receipt of registration record (or any other document evidencing the completion of registration issued by SAFE) from SAFE:

(A) provide the Trustee with a certificate in substantially the form set forth in the Trust Deed signed by an Authorised Signatory (as defined in the Trust Deed) of the Guarantor confirming the completion of the Cross-Border Guarantee Provisions, together with a certified true copy of the relevant SAFE registration record (or any other document evidencing the completion of registration issued by SAFE) relating to the Cross-Border Guarantee Provisions certified by an Authorised Signatory (as defined in the Trust Deed) of the Guarantor (collectively, the "**Registration Documents**"); and

(B) give notice to the Noteholders (in accordance with Condition 15 (*Notices*)) confirming the completion of the Cross-Border Guarantee Provisions.

The Trustee may rely conclusively on the Registration Documents and shall have no obligation or duty to assist with, monitor or ensure the registration of (or otherwise assist with) the Deed of Guarantee with SAFE on or before the Registration Deadline or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the Cross-Border Guarantee Provisions and/or the Registration Documents and/or to translate or procure that any Registration Documents is translated into English or to give notice to the Noteholders confirming the completion of the Cross-Border Guarantee Provisions, and shall not be liable to Noteholders or any other person for not doing so.

(d) *Financial Statements:* So long as any Note remains outstanding, the Guarantor shall send to the Trustee:

(i) as soon as practicable after their date of publication and in any event not more than 120 calendar days after the end of each financial year, one copy of the audited annual financial statements of the Group (audited by an internationally recognised firm of independent accountants) prepared and presented in accordance with PRC Accounting Standards, and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) an internationally recognised firm of independent accountants or (B) a professional translation service provider and checked by an internationally recognised firm of independent accountants, together with a certificate signed by a director of the Guarantor certifying that such translation is complete and accurate; and

(ii) as soon as practicable after their date of publication and in any event not more than 60 calendar days after the end of each semi-annual financial period, one copy of the semi-annual financial statements of the Group (reviewed by an internationally recognised firm of independent accountants) prepared and presented in accordance with PRC Accounting Standards, and if such statements shall be in the Chinese language, together with an English translation of the same translated by (A) an internationally recognised firm of independent accountants or (B) a professional translation service provider and checked by an internationally recognised firm of independent accountants, together with a certificate signed by a director of the Guarantor certifying that such translation is complete and accurate.

The Trustee shall not be required to review any financial statements or any other financial report furnished or delivered to it as contemplated in this Condition 3(d) and, if the same shall not be in the English language, shall not be required to request or obtain or arrange for an English language translation of the same or to investigate or verify the accuracy of any translation of the same, and the Trustee shall not be liable to any Noteholder or any other person for not doing so.

(e) *Change of Financial Year:* So long as any Note remains outstanding, the Issuer and the Guarantor shall inform the Trustee in writing if there is any change in the financial year-end of the Issuer or, as the case may be, the Guarantor.

(f) *Information in relation to Event of Default or Potential Event of Default:* So long as any Note remains outstanding, the Issuer and the Guarantor shall make available to the Trustee at the same time the Guarantor provides the audited annual financial statements of the Group pursuant to Condition 3(d), a certificate in English of each of the Issuer and the Guarantor signed by any two of their respective directors, which shall be substantially in the form provided in the Trust Deed, stating that as of the end of the latest financial year of the Issuer or the Guarantor, as the case may be, (A) no Event of Default or Potential Event of Default (as defined in the Trust Deed) had occurred since the certification date of the last such certificate or (if there has been no such certificate previously) the Issue Date, or, if such an event had occurred, giving details of it and the action which the Issuer or the Guarantor proposes to take with respect thereto and (B) the Issuer or the Guarantor, as the case may be, has complied with all of the covenants that the Issuer or the Guarantor, as the case may be, is bound by under the Conditions, the Trust Deed, the Agency Agreement and the Deed of Guarantee, or, if such non-compliance had occurred, giving details of it.

The Trustee shall be entitled to rely conclusively without investigation upon each such certificate given as contemplated in these Conditions and the Trust Deed and shall not be liable to the Issuer, the Guarantor, any Noteholder or any other person for so relying.

In these Conditions:

"**Board of Directors**" means the board of directors elected or appointed by the relevant shareholders of the Issuer or the Guarantor, as applicable, to manage the business of the Issuer or Guarantor, or any committee of such board duly authorised to take the action purported to be taken by such committee;

"**Group**" means the Guarantor and its Subsidiaries, taken as a whole;

"**Guarantee**" means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

(a) any obligation to purchase such Indebtedness;

(b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;

(c) any indemnity against the consequences of a default in the payment of such Indebtedness; and

(d) any other agreement to be responsible for such Indebtedness;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Indebtedness**" means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

(a) amounts raised by acceptance under any acceptance credit facility;

(b) amounts raised under any note purchase facility;

(c) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

(d) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and

(e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"**Macau**" means the Macau Special Administrative Region of the People's Republic of China;

"**Material Subsidiary**" means any Subsidiary of the Guarantor:

(a) whose total revenue (consolidated in the case of a Subsidiary which has Subsidiaries) as shown by its latest audited income statement is at least ten per cent. of the consolidated total revenue as shown by the latest published audited income statement of the Guarantor and its consolidated Subsidiaries; or

(b) whose gross profits (consolidated in the case of a Subsidiary which itself has Subsidiaries) as shown by its latest audited income statement, is at least ten per cent. of the consolidated gross profit as shown by the latest published audited consolidated income statement of the Guarantor and its consolidated Subsidiaries, including for the avoidance of doubt, the Guarantor and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(c) whose net assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) as shown by its latest audited balance sheet, are at least ten per cent. of the consolidated net assets of the Guarantor and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Guarantor and its Subsidiaries, including the investment of the Guarantor and its consolidated Subsidiaries in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of such Guarantor and of associated companies and after adjustment for minority interests,

provided that, in relation to paragraphs (a), (b) and (c) above:

(i) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Guarantor relate, the reference to the then latest consolidated audited accounts of the Guarantor and its Subsidiaries for the purposes of the calculation above shall, until consolidated audited accounts of the Guarantor for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published, be deemed to be a reference to the then latest consolidated audited accounts of the Guarantor and its Subsidiaries adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(ii) if at any relevant time in relation to the Guarantor or any Subsidiary which itself has Subsidiaries, no consolidated accounts are prepared and audited, total revenue, gross profit or net assets of the Guarantor and/or any such Subsidiary shall be determined on the basis of *pro forma* consolidated accounts prepared for this purpose by or on behalf of the Guarantor;

(iii) if at any relevant time in relation to any Subsidiary, no accounts are audited, its net assets (consolidated, if appropriate) shall be determined on the basis of *pro forma* accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by or on behalf of the Guarantor; and

(iv) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Guarantor, then the determination of whether or not such Subsidiary is a Material Subsidiary shall be based on a *pro forma* consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Guarantor; or

(d) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Material Subsidiary, *whereupon* the Material Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Material Subsidiary and the Subsidiary to which the assets are so transferred shall immediately become a Material Subsidiary, **provided that** on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Guarantor prepared as of a date later than such transfer are issued, whether or not such transferor Subsidiary or

transferee Subsidiary would continue to be a Material Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (a), (b) or (c) above;

"**NDRC**" means the National Development and Reform Commission of the PRC;

a "**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

"**PRC**" means the People's Republic of China, which, solely for the purposes of these Conditions, excludes Hong Kong, Macau and Taiwan;

"**PRC Accounting Standards**" means the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC on 15 February 2006, and the Application Guidance for Accounting Standards for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations issued thereafter, as amended from time to time;

"**PRC Business Day**" means a day other than a Saturday, Sunday or public holiday on which banks are open for business and settlement in Beijing;

"**Registration Deadline**" means the day falling 150 PRC Business Days after the Issue Date;

"**Relevant Indebtedness**" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market), but excludes any Indebtedness that is issued in the PRC;

"**SAFE**" means the State Administration of Foreign Exchange of the PRC;

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction; and

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

(a) whose affairs and policies the first Person controls or has the power to control more than 50 per cent. of the issued share capital or the power to appoint or remove a majority of the members of the governing body of the second Person or otherwise; or

(b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

4. Interest

The Notes bear interest from and including 29 September 2026 (the "**Issue Date**") at the rate of 2.10 per cent. per annum, payable semi-annually in arrear on 29 March and 29 September in each year (each, an "**Interest Payment Date**") commencing on 29 March 2027, *provided that,* if any Interest Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding business day.

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the CMU Lodging and Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

Any interest accruing under the Notes will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days (the "**day-count fraction**").

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date are each called an "**Interest Period**".

Interest in respect of any Note shall be calculated per CNY10,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall be equal to the product of the rate of interest specified above, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest CNY0.01 (CNY0.005 being rounded upwards).

In this Condition 4, the expression "**business day**" means a day (other than a Saturday, Sunday or public holiday) upon which commercial banks are generally open for business and settlement of Renminbi payments in Hong Kong and Beijing.

5. Redemption and Purchase

(a) *Scheduled redemption*: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Interest Payment Date falling on, or nearest to 29 September 2036, subject as provided in Condition 6 (*Payments*).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 15 (*Notices*) and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

(i) (A) the Issuer has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction (as defined in Condition 7 (*Taxation*)) or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 September 2026; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

(ii) (A) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) or the Guarantee of the Notes, as the case may be, as a result of any change in, or amendment to, the laws or regulations of any Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 21 September 2026; and (B) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such Additional Tax Amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer or (as the case may be) the Guarantor shall deliver or procure that there is delivered to the Trustee:

(A) a certificate in English signed by two directors of the Issuer stating that the circumstances referred to in (i)(A) and (i)(B) above prevail and setting out the details of such circumstances or (as the case may be) a certificate in English signed by two directors of the Guarantor stating that the circumstances referred to in (ii)(A) and (ii)(B) above prevail and setting out details of such circumstances; and

(B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment.

The Trustee shall be entitled (but shall not be obliged) to accept and conclusively rely upon such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in (i)(A) and (i)(B) or (as the case may be) (ii)(A) and (ii)(B) above (without further investigation or inquiry, and without liability to the Noteholders or any other person), in which event they shall be conclusive and binding on the Noteholders, and the Trustee shall be protected and shall have no liability to any Noteholder or any person for so accepting and relying on such certificate or opinion.

Upon the expiry of any such notice as is referred to in this Condition 5(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(b).

(c) *Redemption for a Relevant Event:* At any time following the occurrence of a Relevant Event, the Holder of any Note will have the right, at such Holder's option, to require the Issuer to redeem all but not some only of that Holder's Note on the Put Settlement Date at 101 per cent. of their principal amount (in the case of a redemption for a Change of Control Event) or at 100 per cent. of their principal amount (in the case of a redemption for a Non-Registration Event), in each case together with interest accrued up to, but excluding, such Put Settlement Date. To exercise such rights, the Holder of the relevant Note must deposit at the Specified Office of any Paying Agent a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, obtainable from the Specified Office of any Paying Agent (a "**Put Option Notice**"), together with the Note Certificates evidencing the Notes to be redeemed by not later than 30 days following a

Relevant Event, or, in the case of a Change of Control Event only, if later, 30 days following the date upon which notice thereof is given to Noteholders by the Issuer in accordance with Condition 15 (Notices).

The "**Put Settlement Date**" shall be the 14th day (or, if such day is not a business day (as defined in Condition 6(d) (*Payments on business days*)), the next business day immediately following such day) after the expiry of such period as referred to above.

A Put Option Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Notes subject to the Put Option Notices delivered as aforesaid.

The Issuer, failing whom, the Guarantor shall give notice to Noteholders in accordance with Condition 15 (*Notices*) and to the Trustee and the CMU Lodging and Paying Agent in writing by not later than 14 days following the first day on which it becomes aware of the occurrence of a Change of Control Event or five days following the occurrence of a Non-Registration Event, which notice shall specify the procedure for exercise by Holders of their rights to require redemption of the Notes pursuant to this Condition 5(c) (*Redemption for a Relevant Event*).

So long as the Notes are represented by the Global Note Certificate, a Holder's right to redemption of the Notes due to a Relevant Event will be effected in accordance with the rules of the relevant clearing systems.

In this Condition 5(c) (*Redemption for a Relevant Event*):

"**Change of Control Event**" means the occurrence of one or more of the following events: (A) the Controlling Persons together, directly or indirectly, ceasing to Control the Controlling Shareholder's issued and outstanding share capital; (B) the Controlling Shareholder, directly or indirectly, ceasing to Control the Guarantor; or (C) the Guarantor, directly or indirectly, ceasing to own and control at least 100 per cent. of the issued and outstanding share capital of the Issuer.

For the purpose of (A) above of this definition, SASAC shall be deemed to "**Control**" or have "**Controlled**" the Controlling Shareholder if: (i) it, directly or indirectly (through Subsidiaries or otherwise), owns, acquires or controls 100 per cent. of the voting rights of the issued share capital of the Controlling Shareholder or (ii) the members of the Controlling Shareholder's board of directors or other equivalent or successor governing body are nominated by SASAC; or (iii) it possesses, directly or indirectly, the ability or power to direct the management policies of the Controlling Shareholder. For the purpose of (B) above of this definition, the Controlling Shareholder shall be deemed to "**Control**" or have "**Controlled**" the Guarantor if: (i) it is the single largest controlling shareholder of the Guarantor or (ii) a majority of the members of the Guarantor's Board of Directors or other equivalent or successor governing body are nominated by the Controlling Shareholder or its Subsidiaries; or (iii) it possesses, directly or indirectly, the ability or power to direct the management policies of the Guarantor;

"**Controlling Person(s)**" mean (A) SASAC, or (B) the central government of the PRC or any other person directly wholly controlled by the central government of the PRC;

"**Controlling Shareholder**" means China Railway Construction Corporation (中國鐵道建築集團有限公司);

a "**Non-Registration Event**" occurs when the Registration Condition has not been satisfied on or prior to the Registration Deadline;

"**Registration Condition**" means the receipt by the Trustee of:

(a) a certificate in substantially the form set out in the Trust Deed signed by any two directors or duly authorised officers of the Guarantor confirming (A) the completion of the registration of the Deed of Guarantee with SAFE as described in Condition 3(c) (*Undertakings in relation to the Guarantee of the Notes*) and (B) no Event of Default has occurred; and

(b) a certified true copy of the relevant SAFE registration certificate and the particulars of registration;

a "**Relevant Event**" means a Change of Control Event or a Non-Registration Event; and

"**SASAC**" means the State-owned Assets Supervision and Administration Commission of the State Council of the PRC or its successor.

(d) *Redemption at the option of the Issuer*: The Notes may be redeemed at the option of the Issuer in whole, but not in part at any time on or after 29 August 2036, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 15 (Notices) and in writing to the Trustee and the CMU Lodging and Paying Agent at their principal amount, together with interest accrued up to, but excluding, the date fixed for redemption.

(e) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*) to (d) (*Redemption at the option of the Issuer*) above.

(f) *Purchase:* The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price. The Notes so purchased, while held by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries, shall not entitle the Holder to vote any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 8, 12(a) and 13.

(g) *Cancellation:* All Notes so redeemed or purchased by the Issuer, the Guarantor or any of their respective Subsidiaries shall be cancelled and may not be reissued or resold.

(h) *No duty to monitor:* The Trustee and the Agents shall not be obliged to take any steps to ascertain whether a Relevant Event, a Potential Event of Default or an Event of Default or any event which could lead to such event has occurred or to monitor the occurrence of any Relevant Event, Potential Event of Default or Event of Default and each of them shall be entitled to assume that no such event has occurred until it has received express written notice to the contrary from the Issuer or the Guarantor, as the case may be, and shall not be liable to the Noteholders or any other person for not doing so.

(i) *Calculations:* Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption or have a duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto and shall not be liable to the Noteholders or any other person for not doing so.

6. Payments

(a) *Principal*: Payments of principal and premium (if any) shall be made by wire transfer to a Renminbi registered account maintained by the payee and (i) (in the case of redemption) upon surrender, or (ii) (in the case of part payment only) upon endorsement of the relevant Note Certificates at the Specified Office of any Paying Agent.

(b) *Interest*: Payments of interest shall be made by transfer to a Renminbi registered account maintained by the payee and (i) (in the case of interest payable on redemption) upon surrender, or (ii) (in the case of part payment only) upon endorsement of the relevant Note Certificates at the Specified Office of any Paying Agent.

In this Condition 6, the "**registered account**" of a Noteholder means the Renminbi account maintained by or on behalf of it with a bank, details of which appear on the Register on the Record Date (as defined below).

(c) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(d) *Payments on business days*: Payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment (or, if the due date is not a business day, on the next succeeding business day) and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment (or, if the due date is not a business day, on the next succeeding business day). A Holder of a Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a business day. In this Condition 6(d), "**business day**" means any day (other than a Saturday, Sunday or public holiday) on which banks and foreign exchange markets are generally open for business and settlement of Renminbi payments in Hong Kong, Beijing and the place in which the specified office of the CMU Lodging and Paying Agent is located.

(e) *Record date*: Each payment in respect of a Note will be made to the person shown as the Noteholder in the Register at the close of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**").

*For so long as any of the Notes are represented by the Global Note Certificate and the Global Note Certificate is held on behalf of the Operator, the CMU Lodging and Paying Agent will make payments to the Operator who will make payments to each accountholder who is at the close of business on the Clearing System Business Day immediately prior to the date of payment shown in the records of the Operator, where "**Clearing System Business Day**" means a day on which the CMU is operating and open for business. For these purposes, a notification from the Operator shall be conclusive evidence of records of the*

CMU (save in the case of a manifest error). Such payment will discharge the Issuer's obligations in respect of that payment.

Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants and the Trustee, the CMU Lodging and Paying Agent and the other Agent shall have no liability to the Noteholders, the Issuer, the Guarantor, the CMU participants, the indirect participants or any other person in respect of such payment. Save in the case of final payment, no presentation of the Global Note Certificate shall be required for such purpose.

(f) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Notes, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

7. Taxation

All payments of principal and interest in respect of the Notes and under the Guarantee of the Notes by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is as required by law.

Where such withholding or deduction is required by law and is made by the Issuer or the Guarantor as a result of the Issuer or the Guarantor being deemed to be a PRC tax resident by or on behalf of the PRC or any political subdivision thereof or authority therein or thereof having power to tax at the rate applicable on 21 September 2026 (the "**Applicable Rate**"), the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required.

In the event the Issuer or the Guarantor is required to make a deduction or withholding (i) by or on behalf of the PRC or any political subdivision thereof or authority therein or thereof having power to tax in excess of the Applicable Rate; or (ii) by or within any Relevant Jurisdiction or any political subdivision thereof or authority therein or thereof having power to tax except the PRC, the Issuer or the Guarantor, as the case may be, shall pay such additional amounts (the "**Additional Tax Amounts**") as will result in receipt by the Noteholders of such amounts after such withholding or deduction as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts referred to in this Condition 7 (*Taxation*) shall be payable in respect of any Note:

(i) held by a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note; or

(ii) where (in the case of a payment of principal or interest on redemption) the relevant Note Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had surrendered the relevant Note Certificate on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received by the CMU Lodging and Paying Agent in accordance with the terms of the Agency Agreement on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders. "**Relevant Jurisdiction**" means Hong Kong, the PRC or any jurisdiction in which the Issuer and the Guarantor, respectively, is incorporated or any jurisdiction of residence for tax purposes of the Issuer and the Guarantor, respectively.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of such principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*) or any undertaking given in addition to or in substitution of this Condition 7 (*Taxation*) pursuant to the Trust Deed.

If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than any of the Relevant Jurisdictions, references in these Conditions to the Relevant Jurisdiction shall be construed as references to such other jurisdiction.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 7 or for determining whether such amounts are payable or the amount thereof, and shall not be responsible or liable for any failure by the Issuer, the Guarantor, the Noteholders or any other person to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent or any other person that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Notes without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

8. Events of Default

If any of the following events (each, an "**Event of Default**") occurs, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject to the Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality:

(a) *Non-payment:* the Issuer or the Guarantor fails to pay any amount of principal in respect of the Notes or the Guarantee of the Notes, as the case may be, on the due date for payment thereof or fails to pay any amount of interest in respect of the Notes on the due date for payment thereof and, in the case of interest, such default continues for a period of seven days; or

(b) *Breach of other obligations:* the Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Trust Deed and such default (i) is incapable of remedy or (ii) being a default which is capable of remedy, remains unremedied for seven days after the Trustee has given written notice thereof to the Issuer and the Guarantor; or

(c) *Cross-Default of Issuer, Guarantor or Subsidiary:*

(i) any Indebtedness of the Issuer, the Guarantor or any of their respective Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer, the Guarantor or (as the case may be) the relevant Subsidiary or (**provided that** no event of default, howsoever described, has occurred) any person entitled to such Indebtedness; or

(iii) the Issuer, the Guarantor or any of their respective Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness,

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or (ii) above and/or the amount payable under any Guarantee referred to in sub-paragraph (iii) above individually or in the aggregate exceeds US$100 million (or its equivalent in any other currency or currencies); or

(d) *Unsatisfied judgment*: one or more judgment(s) or order(s) is rendered against the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries in respect of all or a substantial part of their undertakings, assets or revenue, and continue(s) unsatisfied and unstayed for a period of 45 days after the date(s) thereof or, if later, the date therein specified for payment; or

(e) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries; or

(f) *Insolvency, etc.*: (i) the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries or the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries is appointed (or application for any such appointment is made and such application is not discharged or stayed within 45 days), (iii) the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it and such action is not discharged or stayed within 45 days or (iv) the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries ceases or threatens to cease to carry on all or any substantial part of its business (otherwise than, in the case of a Material Subsidiary of the Guarantor, for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

(g) *Winding up, etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries; or

(h) *Analogous event*: any event occurs which under the laws of Hong Kong or the PRC has an analogous effect to any of the events referred to in paragraphs (d) (*Unsatisfied judgment*) to (g) (*Winding up etc.*) above; or

(i) *Failure to take action, etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under and in respect of the Notes or the Trust Deed, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Note Certificates and the Trust Deed admissible in evidence in the courts of Hong Kong and the PRC is not taken, fulfilled or done; or

(j) *Unlawfulness*: it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any of its obligations under or in respect of the Notes the Trust Deed or the Deed of Guarantee; or

(k) *Guarantee not in force*: the Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force and effect; or

(l) *Government intervention*: (i) all or any substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries is condemned, seized or otherwise appropriated by any person acting under the authority of any national, regional or local government or (ii) the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries is prevented by any such person from exercising normal control over all or any substantial part of its undertaking, assets and revenues.

9. Prescription

Claims for principal and interest on redemption shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

10. Replacement of Note Certificates

If any Note Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Registrar and the Transfer Agent having its Specified Office, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may reasonably require. Mutilated or defaced Note Certificates must be surrendered before replacements will be issued.

11. Trustee and Agents

Under the Trust Deed, the Trustee is entitled to be indemnified and/or pre-funded and/or secured to its satisfaction and relieved from responsibility in certain circumstances including without limitation provisions relieving it from taking proceedings to enforce payment or taking other actions unless first indemnified and/or secured and/or pre-funded to its satisfaction, and to be paid its costs, expenses, indemnity payments and other amounts in priority to the claims of the Noteholders. In addition, the Trustee, the Agents and their respective directors and officers are entitled to enter into business transactions with the Issuer, the Guarantor and any entity relating to the Issuer or the Guarantor or any other Person without being accountable for the same (including any profit therefrom) to the Noteholders or any Person.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer, the Guarantor and any other person appointed by the Issuer or the Guarantor (as the case may be) in relation to the Notes of the duties and obligations on their part expressed in respect of the same and, unless they have express written notice from the Issuer or the Guarantor (as the case may be) to the contrary, the Trustee and each Agent shall assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Noteholder or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Noteholders. The Trustee shall be entitled to rely on any direction, request or resolution of Noteholders given by holders of the requisite principal amount of Notes outstanding or passed at a meeting of Noteholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to monitor or ascertain whether any Relevant Event, Event of Default or Potential Event of Default has occurred or monitor compliance by the Issuer or the Guarantor with the provisions of the Trust Deed, the Agency Agreement, the Deed of Guarantee or these Conditions.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and/or the Guarantor, and the Trustee shall not at any time have any responsibility.

In the exercise of its powers, functions, rights, authorities and discretions under these Conditions, the Deed of Guarantee, the Agency Agreement, the Notes and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and shall not have regard to the interests and will not be responsible for any consequence for individual Holders of Notes as a result of any circumstances particular to individual Holders of Notes, including but not limited to, such Noteholders being connected in any way with a particular territory or taxing jurisdiction or with regard to such Holders' particular circumstances. The Trustee shall not be entitled to require on behalf of any Noteholders, nor shall any Noteholder be entitled to claim, from the Issuer, the Guarantor or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided in Condition 7 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 7 (*Taxation*) pursuant to the Trust Deed.

The Trustee may rely without further enquiry or investigation and act on the advice, opinion or report of or any information obtained from any lawyer, valuer, accountant, auditor, surveyor, banker, broker, auctioneer, or other expert (whether obtained by the Issuer, the Guarantor, the Trustee or otherwise, whether or not addressed to the Trustee, and whether or not the advice, opinion, report or information, or any engagement letter or other related document, contains a monetary or other limit on liability or limits the scope and/or basis of such advice, opinion, report or information). The Trustee will not be responsible to anyone for any liability occasioned by so acting.

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer, the Guarantor and (to the extent provided therein) the Trustee and do not assume any obligations or responsibilities towards or relationship of agency or trust for or with any of the Noteholders or any third parties.

The initial Agents and their initial Specified Offices are listed below. The Issuer and the Guarantor reserve the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor registrar or CMU lodging and paying agent and additional or successor paying agents and transfer agents; **provided**, **however**, **that** the Issuer and the Guarantor shall at all times maintain (a) a CMU lodging and paying agent and a registrar and (b) a paying agent and a transfer agent.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders by the Issuer.

Neither the Trustee nor the Agents shall be required to monitor the occurrence of any Event of Default, Potential Event of Default or of any event under Condition 5 (*Redemption and Purchase*) that may trigger the option of redemption, and shall not be liable to the Issuer, the Guarantor, the Noteholders or any other Person for not doing so.

12. Meetings of Noteholders; Modification and Waiver

(a) *Meetings of Noteholders*: The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions, the Deed of Guarantee, the Agency Agreement or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantor (acting together) or by the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes subject that the Trustee shall have been indemnified and/or pre-funded and/or secured to its satisfaction. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided**, **however**, **that** certain proposals (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes, to amend the terms of the Guarantee of the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a "**Reserved Matter**")), may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than two-thirds or, at any adjourned meeting, one-quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of Noteholders holding not less than 90 per cent. of the aggregate principal amount of the Notes outstanding and who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

So long as the Notes are represented by the Global Note Certificate, Extraordinary Resolution includes a consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of all the Noteholders of not less than 90 per cent. in aggregate principal amount of the Notes for the time being outstanding.

(b) *Modification and waiver*: The Trustee may (but shall not be obliged to), without the consent of the Noteholders, agree to any modification of these Conditions, the Deed of Guarantee or the Trust Deed (in each case, other than in respect of a Reserved Matter) or the Agency Agreement which, in the opinion of the Trustee, will not be materially prejudicial to the interests of Noteholders and to any modification of these Conditions, the Notes, the Deed of Guarantee, the Trust Deed or the Agency Agreement which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may (but shall not be obliged to), without the consent of the Noteholders, authorise or waive any proposed breach or breach of the Notes or of any of the provisions of the Deed of Guarantee, the Trust Deed or the Agency Agreement (in each case, other than a proposed breach or breach relating to the subject of a Reserved Matter) if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Any such authorisation, waiver or modification shall be binding on the Noteholders and unless the Trustee agrees otherwise, any such authorisation, waiver or modification shall be notified to the Noteholders by the Issuer as soon as practicable thereafter.

(c) *Directions from Noteholders*: Notwithstanding anything to the contrary in these Conditions, the Deed of Guarantee, the Trust Deed and/or the Agency Agreement, whenever the Trustee is required or entitled by these Conditions, the Deed of Guarantee, the Trust Deed and/or the Agency Agreement to exercise any discretion or power, take any action, make any decision or give any direction or certification, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction or certification, to seek directions or clarification of directions from the Noteholders by way of an Extraordinary Resolution and shall have been indemnified and/or provided with security and/or pre-funded to its satisfaction against all action, proceedings, claims and demands to which it may be or become liable and all costs, charges, damages, expenses (including legal expenses) and liabilities which may be incurred by it in connection therewith, and the Trustee is not responsible for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction or certification where the Trustee is seeking such directions or clarification of any such directions, or in the event that the directions or clarifications sought are not provided by the Noteholders.

13. Enforcement

The Trustee may at any time, at its discretion and without notice, take any such steps and/or actions and/or institute such proceedings as it thinks fit to enforce its rights under the Deed of Guarantee, the Trust Deed and the Agency Agreement and in respect of the Notes, but it shall not be bound to do so unless:

(i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and

(ii) it has been indemnified and/or prefunded and/or provided with security to its satisfaction.

No Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

14. Further Issues

Subject to compliance with Conditions 3(b) and 3(c), the Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest and the timing for the NDRC Post-issue Filing and the Cross-Border Guarantee Provisions) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee (acting on an Extraordinary Resolution), create and issue other series of notes having the benefit of the Trust Deed. Any further notes consolidated and forming a single series with the outstanding Notes shall be constituted by a deed supplemental to the Trust Deed and be guaranteed by the Guarantor pursuant to a deed supplemental to the Deed of Guarantee or an additional deed of guarantee.

15. Notices

Notices to the Noteholders will be sent to them by (i) uninsured mail at their respective addresses on the Register and deemed to have been given on the fourth day after the date of mailing or (ii) electronic communication, when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication.

So long as the Notes are represented by the Global Note Certificate and so long as the Global Note Certificate is held on behalf of the Operator, any notice to the Noteholders shall be validly given by the delivery of the relevant notice to the accountholder via CMU. Indirect participants will have to rely on the CMU participants (through whom they hold the Notes, in the form of interest in the Global Note Certificate) to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants.

16. Currency Indemnity

If any sum due from the Issuer or the Guarantor in respect of the Notes or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer or the Guarantor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer and the Guarantor shall jointly and severally indemnify the Trustee and each Holder, on the written demand of the Trustee or such Holder addressed to the Issuer and the Guarantor and delivered to the Issuer and the Guarantor, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which the Trustee or such Holder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of each of the Issuer and the Guarantor and shall give rise to a separate and independent cause of action.

17. Governing Law and Jurisdiction

(a) *Governing law*: The Notes, the Deed of Guarantee, the Agency Agreement and the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.

(b) *Jurisdiction*: Each of the Issuer and the Guarantor has in the Trust Deed and the Agency Agreement and the Guarantor has in the Deed of Guarantee (i) agreed for the benefit of the Trustee and the Noteholders that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes) and (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient.

(c) *Consent to enforcement etc.*: Each of the Issuer and the Guarantor irrevocably and generally consents in respect of any proceedings relating to a Dispute ("**Proceedings**") anywhere to the giving of any relief or remedy against it or the issue and service on it of any process in connection with those Proceedings including, without limitation, the making, enforcement or execution against any of its property or assets whatsoever (irrespective of their use or intended use) of any order or judgment which may be made or given in those Proceedings.

(d) *Waiver of Immunity*: If the Issuer or the Guarantor or any of their respective property or assets is or are entitled in any jurisdiction to any immunity from service of process or of other documents relating to Proceedings, or to any immunity from jurisdiction, suit, judgment, execution, attachment (whether before judgment, in aid of execution or otherwise) or other legal process, this is irrevocably waived to the fullest extent permitted by the law of that jurisdiction. Each of the Issuer and the Guarantor also irrevocably agrees not to claim any such immunity for itself or its property or assets.

(e) *Service of Process*: Pursuant to the Trust Deed and the Deed of Guarantee, the Guarantor has irrevocably agreed to accept service of process in any Proceedings in Hong Kong at the Guarantor's principal place of business in Hong Kong (currently at 23/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong) based on any of these Conditions, the Notes, the Trust Deed, the Agency Agreement or the Guarantee of the Notes. If for any reason the Guarantor shall cease to have an office in Hong Kong, the Guarantor shall forthwith appoint an agent for service of process in Hong Kong and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days.

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Global Note Certificate contains provisions which apply to the Notes while they are in global form, some of which modify the effect of the Terms and Conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions.

Terms defined in the Terms and Conditions of the Notes set out in this Offering Circular have the meaning in the paragraphs below.

The Notes will be issued in registered form and represented by a Global Note Certificate registered in the name of, and lodged with a sub-custodian for, the HKMA, in its capacity as Operator of the CMU.

PAYMENT

Under the Global Note Certificate, the Issuer, for value received, will promise to pay to the holder of the Notes represented by the Global Note Certificate (subject to surrender of the Global Note Certificate if no further payment falls to be made in respect of such Notes) on such date or dates as the same may become payable in accordance with the Terms and Conditions of the Notes (or on such earlier date as the amount payable upon redemption under the Terms and Conditions of the Notes may become payable in accordance with the Terms and Conditions of the Notes) the amount payable upon redemption under the Terms and Conditions in respect of the Notes represented by the Global Note Certificate and to pay interest in respect of such Notes from the Issue Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Terms and Conditions of the Notes, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Note Certificate, together with such other sums and additional amounts (if any) as may be payable under the Terms and Conditions of the Notes, in accordance with the Terms and Conditions of the Notes.

Payments of interest, premium (if any) or principal will be made to the CMU which will credit the same in accordance with the CMU Rules (as defined in the Trust Deed) to the person(s) shown in the records of the Operator as the holder of a particular principal amount of Notes (each an "**accountholder**") at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means a day on which the CMU is operating and open for business. Payment made in accordance with the CMU Rules as set out in the immediately preceding sentence shall discharge the obligations of the Issuer in respect of that payment.

Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants, and the Trustee and the CMU Lodging and Paying Agent and other Agents shall have no liability to the Noteholders, the Issuer, the Guarantor, the CMU participants, the indirect participants or any other person in respect of such payment.

For the purposes of the Global Note Certificate, (a) the holder of the Notes represented by the Global Note Certificate is bound by all the provisions of the Trust Deed and those provisions applicable to it of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date of the Global Note Certificate, entered in the Register as the holder of the Notes represented by the Global Note Certificate, (c) the Global Note Certificate is evidence of entitlement only, (d) title to the Notes represented by the Global Note Certificate passes only on due registration on the Register, and (e) only the holder of the Notes represented by the Global Note Certificate is entitled to payments in respect of the Notes represented by the Global Note Certificate.

EXCHANGE OF NOTES REPRESENTED BY THE GLOBAL NOTE CERTIFICATE

Owners of interests in the Notes in respect of which a Global Note Certificate is issued will be entitled to have title to the Notes registered in their names and to receive individual definitive certificates if the CMU or any other clearing system selected by the Issuer and the Guarantor and approved in writing by the Trustee, the CMU Lodging and Paying Agent and the Registrar through which the Notes are held (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will at its own expense cause sufficient individual definitive certificates to be executed and delivered to the Registrar for completion, authentication (where the Notes represented by the Global Note Certificate are cleared through the CMU, acting on behalf of the CMU Lodging and Paying Agent) and despatch to the relevant holders of the Notes. A person with an interest in the Notes in respect of which a Global Note Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive certificates.

NOTICES

So long as the Notes are represented by the Global Note Certificate and the Global Note Certificate is held on behalf of the Operator, notices to holders of the Notes shall be validly given by delivery of the relevant notice to each relevant accountholder via the CMU. Indirect participants will have to rely on the CMU participants (through whom they hold the Notes, in the form of interests in the Global Note Certificate) to deliver the notices to them, subject to the arrangements agreed between the indirect participants and the CMU participants. Except that, so long as the Notes are listed and/or admitted to trading, notices required to be given to Noteholders pursuant to the Terms and Conditions of the Notes shall also be published by the Issuer (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading.

MEETINGS

For the purposes of any meeting of Noteholders, the holder of the Notes represented by the Global Note Certificate shall be treated as two persons for the purposes of any quorum requirements of a meeting of Noteholders and as being entitled to one vote in respect of each CNY10,000 in principal amount of Notes for which the Global Note Certificate is issued.

NOTEHOLDER'S REDEMPTION

The Noteholder's redemption option in Condition 5(c) (*Redemption for a Relevant Event*) of the Terms and Conditions of the Notes may be exercised by the holder of the Global Note Certificate giving notice to the CMU Lodging and Paying Agent of the principal amount of such Notes in respect of which the option is exercised within the time limits specified in the Terms and Conditions of the Notes, in accordance with the rules and procedures of the CMU or any Alternative Clearing System, and stating the principal amount of Notes in respect of which the option is exercised.

ISSUER'S REDEMPTION

The option of the Issuer provided for in Condition 5(b) (*Redemption for tax reason*s) and Condition 5(d) (*Redemption at the option of the Issuer*) of the Terms and Conditions of the Notes shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by that Condition.

TRANSFERS

Transfers of beneficial interests in the Notes will be effected through the records of the CMU or any Alternative Clearing System and their respective participants in accordance with the rules and procedures of the CMU or any Alternative Clearing System and their respective direct and indirect participants.

CANCELLATION

Cancellation of any Note represented by the Global Note Certificate by the Issuer following its redemption or purchase by the Issuer or any of its Subsidiaries will be effected by a reduction in the principal amount of the Notes in the register of Noteholders and the Global Note Certificate on its presentation to or to the order of the Registrar for annotation (for information only) in the schedule to the Global Note Certificate.

TRUSTEE'S POWERS

In considering the interests of Noteholders while the Global Note Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the CMU or the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Notes and (b) consider such interests on the basis that such accountholders were the holders of the Notes in respect of which the Global Note Certificate is issued.

The Global Note Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

USE OF PROCEEDS

The proceeds from the offering of the Notes, after the deduction of fees, commissions and expenses payable in connection with the offering of the Notes, will be approximately CNY2,297,700,000. The Issuer intends to use the net proceeds for repayment of debts due or replenishment of working capital for overseas construction projects, provided that the use and application of the net proceeds shall at all times be consistent with the purposes approved under, and shall not exceed the registered amount or the validity period of, the NDRC Certificate. An amount equal to the net proceeds from this offering will be used to finance and/or refinance, in whole or in part, existing Eligible Projects as further described in "Green Finance Framework".

GREEN FINANCE FRAMEWORK

The Company's Green Finance Framework has been developed to demonstrate how the Company intends to enter into Green Financing Transactions ("**GFT**"), including bonds, loans and other debt instruments, to fund environmental-friendly projects to support its business strategies and vision, which will conform to the green finance principles listed below:

- With respect to bonds: Green Bond Principles ("**GBP**") 2025 released by International Capital Market Association ("**ICMA**") and Green Bond Endorsed Projects Catalogue (2021 Edition); and/or

- With respect to loans: Green Loan Principles ("**GLP**") (March 2025 edition) jointly published by the Loan Market Association ("**LMA**"), the Asia Pacific Loan Market Association and the Loan Syndications and Trading Association or as they may be subsequently amended; and

- With respect to other forms of financing: other green finance principles as may have been established at the time of such financing transaction being undertaken.

In alignment with the above principles and guidelines, the Company's Green Finance Framework consists of the following core components:

- Use of Proceeds

- Process for Project Evaluation and Selection

- Management of Proceeds

- Reporting

- External Review

Bond(s) issued under the Green Finance Framework may take the form of public transactions or private placements, in bearer or registered format, and may take the form of senior unsecured or subordinated issuances. Such bonds and loans issued under the Green Finance Framework will be standard recourse-to-the-issuer debt obligations and investors will not bear the credit risk of the underlying allocated eligible asset exposures. GFT may be done in any jurisdiction and market reflecting the Company's current and future business needs.

USE OF PROCEEDS

The net proceeds raised under the Green Finance Framework or an amount equal to these net proceeds will be used exclusively to fund or refinance existing eligible green projects ("**Eligible Projects**") (wholly owned or partially owned by the Company) that meet the below category of eligibility as recognized in the 2021 GBP ("**Eligible Criteria**"):

Refinancing of Eligible Projects will have a look-back period of no longer than 36 months from the time of issuance. The Company is committed to fully allocate the net proceeds on a best-effort basis within 24 months of issuance. Projects and assets eligible for Green financing must fulfil the relevant eligibility criteria set forth below.

Eligible Green Projects

Eligible Green Project Category (SDG Mapping)	Eligible Criteria and Example of Eligible Green Projects	Environmental Benefits
Renewable Energy	**Projects related to the generation and transmission of energy from the following sources (including maintenance and upgrade of such infrastructure and manufacture of dedicated components for renewable energy)** • Wind Power • Solar Photovoltaic (PV)	**Project Goals:** Give full play to the advantages of specialized resources, actively develop new energy industries such as wind power and photovoltaics, and promote the green transformation of the industry.
Sustainable Water and Wastewater Management	**Construction, maintenance and technologies for water recovery, treatment and recycling:** • During construction, it diligently reinforces the protection of water sources, and strictly implements regulations on construction and domestic water usage. It strengthens water-saving measures by installing and utilizing water-saving equipment, temporary rainwater collection systems, construction water usage, and sewage treatment systems. Additionally, it collects and utilizes surface and groundwater from excavations, promoting water recycling. In water facilities, infrared sensors are installed to prevent leaks and continuous water flow, thus emphasizing efficient water use.	**Project Goals:** Aims to build a water-saving enterprise, enhancing the protection and management of water resources.

Eligible Green Project Category (SDG Mapping)	Eligible Criteria and Example of Eligible Green Projects	Environmental Benefits
Energy Efficiency	**Investments and expenditure related to the acquisition, manufacture, construction, installation, development and operation of projects or assets that improve energy efficiency and/or reduce energy consumption and losses, including: smart grid, energy storage systems, upgrade equipment and refurbished building.**	**Project Goals:** Improve energy efficiency or reduce in the total energy consumption and losses; Climate change mitigation.
Green Buildings	**Acquisition, construction, and maintenance of buildings that have received the below recognized green building certifications.** • Conform to Green Building Evaluation Standards (GB/T 50378) with two stars or above; or • Obtain U.S. Leadership in Energy and Environmental Design (LEED) — Gold grade or above; or • Hong Kong BEAM Plus — minimum certification level of Gold; or • BREEAM — minimum certification level of Excellent Building; or • EDGE Green Building Certificate — minimum certification level of level 1; or • Building and Construction Authority (BCA) Green Mark — Gold Plus or above; or • Meet the requirements of the "Near-Zero Energy Building Technical Standards" (GB/T 51350)	**Project Goals:** In order to comply with regional, national or internationally recognized standards or certifications for environmental performance, and to achieve harmonious coexistence between humans and nature.

Exclusion Criteria

In any case, eligible assets/projects exclude the type of activities listed in the latest International Finance Corporation (IFC) Exclusion List (2007):

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone-depleting substances, PCBs, wildlife or products regulated under CITES.
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos, and equivalent enterprises.
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment or any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbonded asbestos fibers. This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
- Production or activities involving forced labor or child labor.
- Commercial logging operations for use in primary tropical moist forests.
- Production or trade in wood or other forestry products other than from sustainably managed forests.
- Production, generation or trade in fossil fuel.

PROCESS FOR PROJECT EVALUATION AND SELECTION

The Company has a robust internal control and policy mechanism to ensure environmental and social risks are identified and mitigated. It complies with the Energy Saving Regulation of the People's Republic of China (《中華人民共和國節約能源法》), the Energy Efficiency Standards for Public Buildings (《公共建築節能設計標準》), the Regulation for Green Construction (《建築工程綠色施工規範》) and other related policies and regulations enforcing sustainability considerations.

During the design stage, environmental impact assessments ("**EIA**") will be conducted in accordance with the application regulations to identify environmental and social impact, controls and mitigation measures will be made to minimize the impact on the environment. The assessment results will be recorded in the EIA report. During the construction stage, mitigation measures and protection of the eco-system are strictly implemented and monitored.

A working group will oversee all projects and select the Eligible Projects to be financed. The working group will comprise senior members and representatives from the different departments and has a standard process for project evaluation and selection. The working group will meet at least every 12 months and select eligible projects according to the Eligible Criteria in this framework and prioritize selecting projects that comply with the Energy Saving Regulation of the People's Republic of China, the Green Building Evaluation Standard and other related policies and regulations enforcing sustainability considerations.

The working group will evaluate each project based on its feasibility report. The feasibility report evaluates a project by assessing its investment necessity, feasibility in terms of both technical and financial aspects, the ratio of return against cost, potential social impact and metrics in the Eligible Criteria. The feasibility report will generally be issued by a third-party agent or a professional consultant team. The report scope will cover the process of identifying environmental and social risks in all stages related to green projects as well as the management solutions to address such risks. Moreover, the feasibility report will examine whether the related financial budget and construction plan are feasible in order for the project to be carried out.

A list of green projects will be provided to the working group, and working group will ensure the selected Eligible Projects to comply with the environmental regulatory policy of the project site. The working group then selects projects based on compliance, industry policy conformity, and completeness of relevant procedures, filing and legal documents.

Lastly, the working group will present the board of directors with a short list of Eligible Projects and wait for approval.

MANAGEMENT OF PROCEEDS

The proceeds from GFTs will be managed by the working group and be deposited in the Company's funding accounts, which is a temporary cash account that keeps the unallocated proceeds in the form of cash deposits that will be used only on Eligible Projects when applicable. All net proceeds of an issuance will be allocated to Eligible Projects within two years. The working group will be committed to adjusting the tracked net proceeds biannually to match allocations to Eligible Projects during the time the instrument is outstanding. The expected look-back period for refinanced Eligible Projects will be three years. The working group will also maintain a register to keep track of the use of proceeds containing the following information:

- Information of Green Financing Transactions
- Issuer/borrower entity
- Transaction date
- Principal amount of proceeds
- Maturity date
- Interest or coupon
- ISIN number (if applicable)

Allocation of Use of Proceeds

- Name and description of Eligible Projects to which the proceeds have been allocated in accordance with the Green Finance Framework
- Project location
- Amount of investment (state currency)
- Date of investment
- Progress/construction status
- Environmental certification (including source and date)
- Energy Performance data (including source and date)
- The balance of unallocated proceeds
- Information of temporary investment for unallocated proceeds

When the Eligible Projects are subject to partnerships or joint ventures, the Company will only consider our share of investment in those Eligible Projects. The Company will not consider a portion of any Eligible Project which has been financed and/or refinanced by any other stakeholder.

REPORTING

The Company is committed to providing the proceeds allocation report and impact report, which will be approved by the working group. Both the allocation report and impact report will be disclosed once a year. The allocation report will be disclosed until all the net proceeds are being allocated to Eligible Projects. Such information will be available on the Company's website or included in the annual social responsibility report including but not limited to the following:

Allocation Reporting

- The aggregate amount allocated to various Eligible Green Categories
- The remaining balance of funds which have not yet been allocated and type of temporary investment
- Share of financing vs. refinancing
- Examples of Eligible Projects and brief description of the Eligible Projects which Bond proceeds have been allocated (subject to confidentiality disclosures)
- Any major developments/issues/disputes related to the projects or assets

Impact Reporting

The Company is committed to reporting on the expected and actual environmental and social impacts associated with the Eligible Projects funded with the proceeds. The impact report will continuously be disclosed until all the net proceeds are being allocated to Eligible Projects. Subject to the nature of Eligible Projects and the availability of information, the report will include, but not limited to, the following Impact Indicators:

GBP category	Impact Indicators
Renewable Energy	• Annual renewable energy generation (GWh for electricity and GJ for other energy)
	• Annual GHG emission or standard coal equivalent reduced/avoided
Energy Efficiency	• Annual GHG emissions reduced/avoided in tonnes of CO_2 equivalent/a
	• Annual renewable energy generation in MWh/GWh (electricity) and GJ/TJ (other energy)
Sustainable Water and Wastewater Management	• Annual absolute amount of wastewater treated, reused or avoided in m^3/a, in tonnes/a
	• Annual absolute amount of water pollutants reduced in tonnes/a
Green Buildings	• Level of certification by property
	• Energy efficiency gains in MWh or percentage vs baseline
	• Annual absolute (gross) water saving in m^3/a

External Review

The Company has engaged Moody's Investor Service as the external reviewer to evaluate the appropriateness of the Green Finance Framework, and alignment with the GBP and GLP, and issue a Second Party Opinion accordingly. The Second Party Opinion will be available on the Company's official website.

CAPITALISATION OF THE COMPANY

As at the date of this Offering Circular, the registered share capital of the Company is RMB13,579,541,500.0 divided into 11,503,245,500 A shares of RMB1.0 par value each and 2,076,296,000 H shares of RMB1.00 par value each and its issued share capital is RMB13,579,541,500.0 consisting of 13,579,541,500 ordinary shares of RMB1.0 par value each.

The following table sets forth the Company's unaudited consolidated capitalisation as at 30 June 2026 and as adjusted to give effect to the issue of the Notes before deduction of any fees, commissions and expenses. The table should be read in conjunction with the financial statements and the accompanying notes included in this Offering Circular.

	As at 30 June 2026	
	Actual	As adjusted
	(RMB in millions)	
Total borrowings		
• **current portion**[(1)]		
Borrowings	301,660.0	301,660.0
Total borrowings		
• **non-current portion**[(2)]		
Borrowings	415,451.8	415,451.8
Notes to be issued[(3)]	–	2,300
Total borrowings	717,111.8	719,411.8
Equity		
Share Capital	13,579.5	13,579.5
Capital reserve	46,022.6	46,022.6
Surplus reserve	6,789.8	6,789.8
Retained earnings	212,757.9	212,757.9
Other comprehensive income	(1,515.1)	(1,515.1)
Other equity instruments	72,322.3	72,322.3
Equity attributable to owners of the Company		
Minority interest	90,919.1	90,919.1
Total shareholder's equity	440,876.0	440,876.0
Total capitalisation[(4)]	1,157,987.9	1,160,287.8

(1) Current portion of the total borrowings represents the aggregate balance of short-term loans, short-term unsecured financing bonds, long-term loans with maturities of one year and below, and bonds payable with maturities of one year and below.

(2) Non-current portion of the total borrowings represents the aggregate balance of long-term loans and bonds payable.

(3) The amount represents the aggregate principal amount of the Notes to be issued, before deducting any underwriting commissions and other transaction costs and expenses payable in connection with the offering of the Notes.

(4) Total capitalisation represents the sum of the total borrowings and total shareholders' equity.

On 25 September 2024, the Issuer issued CNY3,500,000,000 2.60 per cent. guaranteed notes due 2027 that were guaranteed by the Guarantor (the "**2024 Notes**").

On 11 November 2025, the Issuer issued CNY3,000,000,000 2.18 per cent. guaranteed notes due 2030 and CNY1,000,000,000 2.60 per cent. guaranteed notes due 2035 that were guaranteed by the Guarantor (the "**2025 Notes**").

As at the date of this Offering Circular, there has been no other material adverse change in the Company's consolidated capitalisation and indebtedness since 30 June 2026.

DESCRIPTION OF THE ISSUER

FORMATION

The Issuer, CRCC Huayuan Limited (鐵建華源有限公司) was incorporated in Hong Kong on 22 February 2024 as a public company with limited liability under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) with company number 76234481. Its registered office is located at 4008A, 40/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. The Issuer is an indirect wholly-owned subsidiary of the Guarantor.

BUSINESS ACTIVITIES

The Issuer was established for the purpose of issuing notes and onlending the proceeds to the Company and/or its subsidiaries. The Issuer has not engaged, since the date of its incorporation, in any other material activities other than those relating to the issue of notes and the onlending of the proceeds thereof to the Company and/or its subsidiaries, and the authorisation of documents and agreements referred to in this Offering Circular to which it is or will be a party.

The Issuer has the capacity, rights, powers and privileges of a natural person of age under law and therefore has full power and authority to carry out any activities not prohibited by the laws of Hong Kong. Copies of the Issuer's Articles and Association are available as described in "General Information".

DIRECTORS

The directors of the Issuer are as follows:

Name	Position
Xin Xiongfei	Director
Zheng Yusuo	Director

The address of Xin Xiongfei for the purpose of his directorship of the Issuer is Room 805, Building A, No. 29 Shijingshan Road, Shijingshan District, Beijing, PRC and the address of Zheng Yusuo for the purpose of her directorship of the Issuer is Room 803, Building A, No. 29 Shijingshan Road, Shijingshan District, Beijing, PRC.

SHARE CAPITAL

As at the date of this Offering Circular, the issued share capital of the Issuer is HK$10,000.0 represented by 10,000 ordinary shares.

No part of the equity securities of the Issuer is listed or dealt on any stock exchange and no listing or permission to deal in such securities is being, or is proposed to be, sought. The Issuer does not have any debt outstanding other than the 2024 Notes, 2025 Notes and the Notes to be issued.

DESCRIPTION OF THE GROUP

OVERVIEW

Originally founded as the Railway Corps of the People's Liberation Army, the Company was formally established on 5 November 2007 with the Controlling Shareholder as the sole promoter approved by the State Council and the SASAC. The Company is one of the largest integrated construction companies globally. The Group was included among the "Top 250 Global Contractors" and "Top 150 Global Engineering Design Companies", by ENR, an American magazine, and ranked No. 3 and No. 24, respectively, in 2026. It was listed among the Fortune "Global 500" consecutively for 21 years, ranking No. 57 in 2026 and the Brand Finance Global 500, ranking No. 204 in 2026. In 2026, the Company ranked No. 9 in the global engineering brand value ranking and won the Special Invention Award and Gold Medal at the 51st Geneva International Exhibition of Inventions.

The Group operates a wide range of business, covering construction, planning, design and consultancy, manufacturing, real estate development, materials and logistics, investment, finance and other emerging industries. The Group has established its industry leadership in the fields of engineering design and construction for plateau railways, high speed railways, expressways, bridges, tunnels and urban rail transits. Over the years, the Group has constructed 50% of China's conventional and high-speed railways, 40% of urban rail transit, and 30% of high-grade roads. As at 30 June 2026, the Group operated and maintained over 7,000 kilometers of expressway, over 2,400 kilometers of railway tracks and approximately 460 kilometers of urban rail transit. The Group also operated eight port projects comprising 13.5 kilometers of navigation channels and 736 berths, nine wastewater treatment projects with an aggregate treatment capacity of 880,000 tonnes per day, and 16 urban utility tunnel projects with a total length of 133 kilometers. In addition, the Group manufactures equipment used in engineering and construction projects, provides logistics and materials trading services, and develops real estate projects. This allows the Group to provide extensive services and products covering scientific research, planning, survey, design, construction, supervision and management, maintenance, operation as well as investment and financing. As a result, the Group has upgraded itself from an established market leader in China to a global competitor in the industry of engineering design and construction specialising in plateau railways, high-speed railways, highways, bridges, tunnels and urban rail transits.

The Group is one of the strongest and largest-scale integrated construction groups in the world. It was included in the "Top 250 Global Contractors" by ENR, an American magazine, with a ranking of No. 3 in 2026. The Group has engaged in the metropolitan railway projects in almost all cities in China that have developed metropolitan railways. The Group is a pioneer in the survey, design and consultancy industry in China. The Group is also one of the largest manufacturers of large rail track maintenance machinery In 2025, China Railway Construction Heavy Industry Corporation Limited, a subsidiary of the Group, was selected as an Excellence-level Smart Factory by the Ministry of Industry and Information Technology. In 2025 and 2026, the Group continued to advance major domestic and overseas infrastructure projects, including the opening of the Baotou-Yinchuan High-Speed Railway, the completion of the track-laying works for the Western Railway Mineral Line in Algeria, the commencement of substantive construction of the China-Kyrgyzstan-Uzbekistan Railway and the construction of the Emirates Airlines aircraft maintenance hangar project in the UAE.

The Group has a strong R&D team with top-tier talents in China. It consists of, among others, two member of the Chinese Academy of Engineering, 10 National Survey and Design Masters, 11 national candidates of the "Bai Qian Wan Talents Project" and 310 experts who are recipients of special subsidies granted by the State Council. As at 31 December 2025, the Company has cumulatively received 90 National Prizes for Science and Technology, 167 Zhan Tianyou Civil Engineering Awards, 593 National High-Quality Projects Awards (including 52 Gold Awards), 184 Luban Prizes for China Construction and 6,499 engineering methods above provincial level. As at 31 December 2025, the Group cumulatively holds 43,536 valid patents.

The following table sets forth the breakdown of the Group's revenue by segment for the years/periods indicated:

	For the year ended 31 December			For the six months ended 30 June	
	2023	2024	2025	2025	2026
	(RMB in millions)				
				(Unaudited)	
Construction operations	987,324.5	931,245.5	906,681.0	434,599.6	388,186.1
Planning, design and consultancy operations	18,754.0	18,024.3	16,916.3	6,743.2	6,358.1
Manufacturing operations	23,999.3	23,394.7	24,430.8	11,826.0	11,507.6
Real estate development operations	83,271.8	71,890.4	66,563.7	20,755.4	13,252.3
Other business operations	95,865.8	86,864.1	74,630.6	40,718.1	33,450.9
Inter-segment elimination	(71,221.9)	(64,247.7)	(59,437.9)	(25,443.2)	(24,317.1)
Total	**1,137,993.5**	**1,067,171.3**	**1,029,784.5**	**489,199.1**	**428,437.9**

The following table sets forth the breakdown of the Group's gross profit by segment for the years/periods indicated:

	For the year ended 31 December						For the six months ended 30 June			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)
								(Unaudited)		
Construction operations	87,614.0	8.87	81,454.3	8.75	75,225.9	8.30	32,277.3	7.43	30,052.8	7.74
Planning, design and consultancy operations	8,114.5	43.27	7,562.4	41.96	6,351.3	37.55	2,681.7	39.77	2,674.2	42.06
Manufacturing operations	5,237.9	21.83	5,228.8	22.35	5,122.0	20.97	2,504.1	21.17	2,149.1	18.68
Real estate development operations	10,166.7	12.21	7,851.3	10.92	5,727.2	8.60	2,008.3	9.68	803.3	6.06
Other business operations	7,613.8	7.94	7,965.0	9.17	8,053.6	10.79	4,016.9	9.87	4,342.1	12.98
Inter-segment elimination	(502.5)	–	(492.3)	–	(362.5)	–	(227.0)	–	(355.4)	–
Total	**118,244.4**	**10.40**	**109,569.5**	**10.27**	**100,117.5**	**9.72**	**43,261.3**	**8.84**	**39,666.1**	**9.26**

As at 31 December 2025, the Group had operations in 32 provinces, autonomous regions and municipalities in China as well as 150 countries and regions in the world. As at 31 December 2025, the Group had 11,741 projects under construction, 9,866 of which were located in the Chinese mainland while the other 1,875 were located abroad. The following table sets forth the Group's revenue by geographic regions for the years/periods indicated:

	For the year ended 31 December						For the six months ended 30 June			
	2023		2024		2025		2025		2026	
	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin	Revenue	Gross Profit Margin
	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)
								(Unaudited)		
Chinese mainland	1,077,683.6	10.59	1,001,272.6	10.45	953,911.0	10.00	452,109.6	9.03	388,679.8	9.33
Overseas	60,309.9	6.87	65,898.7	7.49	75,873.5	6.20	37,089.5	6.53	39,758.1	8.52
Total	**1,137,993.5**	**10.40**	**1,067,171.3**	**10.27**	**1,029,784.5**	**9.72**	**489,199.1**	**8.84**	**428,437.9**	**9.26**

For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the Group's newly-signed contracts amounted to RMB3,293.9 billion, RMB3,037.0 billion, RMB3,076.5 billion and RMB878.2 billion, respectively. In 2025, domestic and overseas newly-signed contracts amounted to RMB2,713.2 billion and RMB363.3 billion, respectively, representing 88.2% and 11.8%, respectively, of the total newly-signed contract value. As at 31 December 2025, the Group's backlog was RMB4,506.0 billion. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, the gross profit margin of the Group was 10.40 per cent., 10.27 per cent., 9.72 per cent. and 9.26 per cent., respectively. The total assets of the Group reached RMB2,166.8 billion as at 30 June 2026, representing an increase of RMB83.0 billion from that as at 31 December 2025.

The Company was established as a joint stock company with limited liability under PRC law on 5 November 2007 with a registered capital of RMB8.0 billion. As at 30 June 2026, the Controlling Shareholder, which is wholly owned by SASAC, held 51.23 per cent. of the shares of the Company. The Company was listed on the main board of the Shanghai Stock Exchange on 10 March 2008 and listed on the main board of the Hong Kong Stock Exchange on 13 March 2008. As at the date of this Offering Circular, the registered share capital of the Company is RMB13,579,541,500 divided into 13,579,541,500.0 ordinary shares of RMB1.0 par value each and its issued share capital is RMB13,579,541,500.0 consisting of 13,579,541,500 ordinary shares of RMB1.0 par value each.

The Group mainly conducts the following businesses:

- ***Construction operation***, the traditional and core business of the Group. The Group's construction operations mainly include railways, highways, rail transits, water conservancy and hydropower, housing construction, municipal engineering, bridges, tunnels, airports and wharves;

- ***Planning, design and consultancy***, services covering civil engineering and infrastructure construction related to railway, urban rail transits, highways, municipal administration, industrial and civil buildings, magnetic levitation, water transport, hydropower, airports and civil defense, with continuous efforts in expansion to emerging industries and areas, such as intelligent transport, modern tramcar, urban utility tunnel, urban underground space, ecological environment and environmental protection;

- ***Manufacturing***, a combination of research, manufacturing, sales and services with focus on three core areas, i.e. equipment manufacturing, material production and precast concrete production. After years of development, the Group has become a leading material and professional equipment manufacturing service provider with international advanced market position. The business scope covers large railway track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts;

- ***Real estate development***, including the development, construction and sale of residential and, to a lesser extent, other industrial real estate. The Group is among 16 state SASAC-owned enterprises which are specifically permitted to have real estate development as its principle business;

- ***Materials, logistics and other businesses***, including logistics, warehousing and distribution, spot trading and international trading, financial insurance, concession, mining resources development and railway operation and management.

COMPETITIVE STRENGTHS

The growth and development of the Group can be primarily attributed to the following competitive strengths:

The Group is one of the world's strongest and largest-scale integrated construction groups, with numerous qualifications covering a complete chain of industry.

The Group is one of the strongest and largest scale integrated construction groups in the world. The Company was included among the "Top 250 Global Contractors" by ENR, and ranked No. 3 in 2026 and has been included in the Fortune Global 500 by the Fortune Magazine for 21 consecutive years, ranking 57th in 2026. It was listed among the Brand Finance Global 500, ranking 204th and the Top 500 Chinese Enterprises, ranking 16th in 2026. The Company ranked No. 9 in the global engineering brand value ranking in 2026.

The Group's extensive business scope, which includes construction operations, planning, design and consultancy, investment operations, real estate development, manufacturing, materials and logistics, environmental protection, industrial finance and other emerging industries, enables it to provide comprehensive services to its customers. The Group continued to maintain its leading position in fields of engineering design and construction for high-speed railways, plateau railways, expressways, bridge, tunnel and metropolitan railway. The Company has a refined industry chain covering scientific research, planning, survey, design, construction, supervision and management, operation, maintenance, and investment and financing, and has the capability to provide one-stop integrated services. The qualifications held by the Group have enabled it to undertake various types of construction projects in China. These qualifications include a number of special qualifications which cover a broad range of construction projects including railway, highway, bridge, tunnel, metropolitan railway, water conservancy and hydropower facility, airport, port, real estate, municipal projects, as well as geological hazards prevention projects that are obtainable only by large-scale construction companies with reputable track records.

The Group has numerous engineering and technical equipment, professional, complete and high-level engineering construction qualifications and professional institutions of various types, which covers a complete industrial chain, enabling it to provide one-stop engineering construction services for customers. As at 31 December 2025, the Group had 109 extra grade qualifications for general contracting and was one of the enterprises with the highest qualification level, the most complete qualifications and the largest number of qualifications in the construction industry in China. In 2025, the Group obtained two new extra grade qualifications as general contractor for construction enterprises. As at 31 December 2025, the Group had four large Grade II institutes with comprehensive Grade-A engineering design qualifications and 24 tertiary and lower-level specialised design institutes.

Through its ability to offer integrated, multifaceted services to its customers, the Group effectively utilise its facilities and resources from different business segments and forged its significant advantages in undertaking of large-scale and complicated projects, such as railway, highway, urban rail transit, municipal engineering, hydroelectric engineering as well as airports, stadiums and wharves projects. As at 31 December 2025, the Group had operations in 32 provinces, autonomous regions and municipalities in China as well as 150 countries and regions in the world. Over the years, the Group has had a number of achievements:

- ***Railway***. The Group is one of the largest providers of railway construction services in China. Landmark railway lines constructed by the Group include the Qinghai-Tibet (Phases I and II), Beijing-Kowloon, Datong-Qinhuangdao, Southern Xinjiang, Nanning-Kunming, Neijiang-Kunming, Guangzhou-Shenzhen, Qinhuangdao-Shenyang, Chongqing-Huaihua and the Guangdong Sea Passageway. In addition, the Group has undertaken a number of high-quality

railway projects including Beijing-Xiong'an High-speed Railway, Beijing-Zhangjiakou Railway and Rye Railway. The Group also provides railway construction services in overseas countries. In January 2014, the Group completed the construction of the main part of the Ankara-Istanbul high-speed railway line (Phase II) in Turkey, which is the first high-speed railway constructed by PRC enterprises in overseas countries. In 2024, Macau Bridge and the Hengqin Extension of the Macau Light Rail Transit opened to traffic. In 2025, the Group entered into contracts for certain EPC works of the China-Kyrgyzstan-Uzbekistan Railway Project in the Kyrgyz Republic, and the project entered the substantive construction stage following the commencement of works on the Fergana Mountain Tunnel, Naryn No. 1 Tunnel and Koshtobe No. 3 Tunnel, being three key control tunnels in the Kyrgyz Republic section.

- ***Highway***. The Group is one of the largest providers of high-grade road construction services in China. Landmark freeways and highways constructed by the Group include Béjaïa and Neijiang-Dazu Expressway and the Shenyang-Dalian, Jinan-Qinghai, Taiyuan-Yangquan, Xuanwu-Dalian, Tongjiang-Sanya, Chengdu-Chongqing, Beijing-Zhuhai, Beijing-Shanghai, Beijing-Fujian, Beijing-Shenzhen, Beijing-Chengde and Jiangxi-Guangdong freeways. In 2024, the Group entered into contracts for the construction of Shanghai-Chongqing Expressway, Deyang Zhongjiang-Suining Expressway, and certain sections of the Shenyang-Haikou National Expressway. In 2025, the Group entered into contracts for the construction of certain sections of the G12 Hunchun-Ulanhot Expressway and the G1131 Mudanjiang-Yanji Expressway, and continued to expand its participation in major highway and transportation infrastructure projects, including the G331 Dandong-Altay Highway project.

- ***Urban rail transit***. The Group is one of the largest providers of metropolitan railway construction services in China in terms of the total length of metropolitan railway constructed by the Group in China. The accumulated experience in construction and technological know-how over the years have been a highly valued assets and are instrumental to the Group's continuing growth. Landmark metropolitan railways constructed by the Group include Wuhan Metro Line 6 and Nanning Metro Line 3. The Group also constructs railway stations such as Kunming South Railway Station. In 2024, the Group won the contract for Qiantang Station with a contract value of approximately RMB3.49 billion. Qiantang Station is one of the five major passenger stations of the Hangzhou hub and the largest newly built station along the Hangzhou Airport High-Speed Railway. In addition, together with a consortium of China Railway affiliates, the Group secured the contract for Phase I of Shenzhen Metro Line 27, a 25.2-kilometer line with 21 stations that will link major hubs such as Xili High-Speed Rail New Town and Shenzhen North Station, enhancing the city's core rail network and supporting the development of key technology and business districts.

- ***Stadium and bridge***. The Group also undertakes construction projects of various public facilities and infrastructure, including airports, stadium and bridges. The Group completed the construction of Qatar Lusail Stadium, which was known as the "No. 1 Project" of Qatar. The stadium has a construction area of 180,000 square meters and a capacity of 92,000 spectators. Constructed by the Group, the new Demerara River Bridge in Guyana spans approximately 2,900 meters and officially opened to traffic in 2025. In the same year, the Dongjin Yellow River Bridge constructed by the Group also opened to traffic, and the Group continued to advance other major bridge projects, including the Ankang Hanjiang Bridge on the Kangyu High-Speed Railway and the Zhongxiang Hanjiang Grand Bridge, the world's longest-span ballastless-track concrete girder cable-stayed bridge for high-speed railway.

In 2025, the Group completed and accepted 2,216 infrastructure projects with a total contract value amount of RMB507.8 billion, 1,003 housing construction projects with a total contract value amount of RMB209.8 billion and over 500 architectural decoration, professional engineering and other projects with a total contract value amount of RMB12.0 billion.

The Group believes that its competitive strengths and extensive experience in the construction industry, the opportunities created by the growth of the global construction industry and the "Belt and Road Initiative" encouraged by the PRC Government, and the leveraging of various regional development plan by the local government, such as "Coordinated Development for Beijing-Tianjin-Hebei Region", "Construction of Xiong'an New Area", "Guangdong-Hong Kong-Macau Greater Bay Area", "Yangtze Economic Belt", and the implementation of major projects under the 15th Five-Year Plan, will provide a pivot for sustainable growth of the Group's business by expanding its core operations.

The Group has long history in overseas operation with excellent achievements.

The Group, being one of the Chinese companies to enter into the international construction market, has long history of operation overseas.

On 20 March 2012, the Group established China Railway Construction International Group. Co., Ltd to undertake overseas construction projects. Over the years, the Group has gradually established "**CRCC**" and "**CCECC**", the two brand names it owns, and its reputation in the international construction industry. With years of efforts, the Group has achieved an excellent record in overseas operation. As at 31 December 2025, the Company's operating scope covered 150 countries and regions in the world and the Group had 1,875 overseas projects under construction with total contract value of RMB1,124.2 billion. By emancipating our mindset and pioneering innovation, the Group vigorously advanced the "Overseas First" strategy. It has carried out business operations in accordance with the laws and regulations, strengthened prevention of operational risks, and steadily improved business quality, thereby achieving more optimized and substantive high-quality development.

These efforts have established a solid foundation for its further development in overseas markets. Leveraging its completed chain of industry, the Group focus on the integrated service of investment, construction and operation to build an overseas operational and development system and management framework, so as to unify the layout of the global market, ensure the coordination and orderliness of overseas expansion, and build a strong synergy of overseas operations.

In recent years, the Group has experienced a rapid growth in overseas newly-signed contracts. For the years ended 31 December 2023, 2024 and 2025, the Group had overseas newly-signed contract values of RMB252.8 billion, RMB312.0 billion and RMB363.3 billion, respectively.

The Group possesses numerous key technologies for its various core businesses and equips with technology self-development and innovation capabilities as well as advanced equipment.

The Group has industry-leading research and development capabilities. As at 31 December 2025, the Group had 43,536 valid patents and had completed the restructuring of its "1+9+N" technological innovation system, established the General Academy of Science and Technology Research, set up seven industrial technology research institutes and established 23 open collaborative R&D platforms, including the Joint Laboratory for Marine Resources Engineering Technology. As at the same date, the Group had cumulatively received 90 National Prizes for Science and Technology, 167 Zhan Tianyou Civil Engineering Awards, 593 National High-Quality Projects Awards (including 52 Gold Awards), 184 Luban Prizes for China Construction and 6,499 engineering methods above provincial level.

The year of 2025 marks the concluding year of the 14th Five-year Plan. The Group has further strengthened its scientific research efforts, leading one "Major Science and Technology Innovation 2030 Project" having 12 national key R&D projects in 2025, and undertaking 13 key and core technology research tasks, while obtaining 6,732 new authorized patents (including 2,990 invention patents). The Group successfully completed three high-quality R&D tasks targeting critical core technologies and was approved as part of the second batch of Central SOE Original Technology Source Bases. It received three Second Prizes of the State Science and Technology Awards and, leveraging major projects, won the International Tunnelling Association's "Beyond Engineering Award" and the 41st Arthur G. Hayden Medal for bridge engineering. In addition, the Group co-led the release of three international standards, jointly drafted its first UIC international railway standard, and received four Engineering Construction Standardization Technology Innovation Awards.

As early as 1954, the Group's predecessor, the Railway Engineering Corps, undertook the construction of Baotou-Lanzhou Railway, China's first cross-desert railway. It later undertook the construction of Beijing Subway Line one, China's first metro line in 1965. Over the years, the Group has built and maintained national leading position in numerous professional technology areas, with outstanding design and construction technology and innovation in high speed railway, plateau railway, urban rail transit, long tunnels and high bridges, including:

- commencement of substantive construction of the China-Kyrgyzstan-Uzbekistan Railway Project, following the commencement of construction of the Fergana Mountain Tunnel, Naryn No. 1 Tunnel and Koshtobe No. 3 Tunnel in the Kyrgyz Republic section (2025);

- selection of "Steel Backbone", the world's first kilometre-level full-face hard rock vertical shaft tunnelling machine, as one of the top ten national heavy equipment of central enterprises (2025);

- completion of the main substructure works for the second China-Mongolia cross-border railway bridge (2025);

- development of "Jianghai", the largest-diameter domestically developed shield tunnelling machine in China, which was selected as one of the top ten national heavy equipment of central enterprises (2024);

- construction of the Shenzhen-Zhongshan Link (2024);

- development of "Taihang", the world's first all-in-one machine for girder replacement, transport and erection (2023);

- development of the world's largest and fully localized shield machine main bearing with a diameter of 8.61 meters (2023);

- development of "Dream", China's first domestically built and the world's largest drilling ship (2023);

- construction of the Lusail Stadium in Qatar, where the final match of the 2022 FIFA World Cup was held (2022);

- construction of the Hong Kong-Zhuhai-Macao Bridge, with the world's longest immersed tube tunnel and the bridge and tunnel combination highway with the world's longest distance cross the sea (2018);

- construction of the Inner Mongolia-Jiangxi Railway, the longest heavy haul railway under construction in China (2018);

- construction of the Gantas Tunnel in Algeria, which is the longest tunnel located in North Africa (2017);

- construction of the Addis Ababa-Djibouti Port Railway, the first railway that fully adopted and implemented the Chinese standards in whole industrial chain, and which is now open to traffic (2016);

- construction of the No. 1 Qilian Mountain Tunnel of Lanzhou-Urumchi, the highest tunnel with high-speed railway, and which is now open to traffic (2014);

- construction of the Nanpan River Bridge of Yunan-Guilin Railway, the arch bridge with the largest span in the world applying in the railway for both passengers and freight (2013);

- construction of the Qingdao-Jiaozhou Bay Bridge, the world's longest across water bridge, opened to traffic (2011);

- construction of the Beijing-Shanghai high-speed rail, the longest high-speed rail opened to traffic (2011);

- construction of the Shiziyang Tunnel, China's first high-speed railway applying Tunnel Boring Machine (or TBM) undersea, opened to traffic (2011);

- construction of the Yichang-Wanzhou Railway, known as "the bridge and tunnel museum", opened to traffic (2010);

- construction of Xiamen Xiang'an undersea tunnel, the first undersea tunnel in China opened to traffic (2009);

- construction of the Qinghai-Tibet railway, the first plateau railway in China, including the construction of all of the railway lines at an altitude of 4,900 metres or higher in the 2nd phase and most of the construction of the railway lines at an altitude of 4,600 metres or higher in the 2nd phase. The construction of the project involves conquering the technique difficulties of frozen soil, fragile eco-system and hypoxia. After the project, the Group achieved a world-leading position with respect to its set of skills in build railways in the frozen-soil region in plateau (2008);

- construction of the Nanjing Yangtze River Tunnel, China's largest shield diameter ever used then (2005);

- construction of the Super Long Wushaoling Tunnel, the longest railway tunnel in China at the time, opened to traffic (2003);

- construction of the Shanghai Maglev Train, the world's first commercial Maglev track (2001);

- the first time use of TBM excavation technology in a railway tunnel, Qinling Tunnel, the longest in China and the 6th longest tunnel worldwide, fully operational (1999);

- construction of the Datong-Qinhuangdao Railway, the first electrified double-track heavy-haul railway in China which won the Lu Ban Prize and Golden Prize of National High-Quality Prize (1985); and

- construction of the Chengdu-Kunming Railway, which was praised by the United Nations as "one of three major wonders symbolising the human being conquering nature in the twentieth century" (1970).

As at 31 December 2025, there was an increasing number of products of the Group designed with independent intellectual property rights. This includes underground engineering facilities including major-diameter earth pressure balance shield/TBM dual-mode excavator, hard rock tunnel boring machine with major diameter and full face and hard rock tunnel boring machine with double shields. Large railway track maintenance machinery such as narrow-gauge tamping machines and narrow-gauge ballasting machines have also achieved the international leading level and have been exported to overseas markets. Technologies of underground and underwater engineering construction, magnetic suspension engineering construction and Electrical & Mechanical system integration have achieved a leading position in the industry. The Group undertook several national technology supporting program, such as key technologies of complete sets of equipment for pre-grooved tunnel construction and key technologies for long-distance inclined shafts in coal mines for shield construction, both of which have been utilised in constructions and the products thereof have achieved advanced level internationally. The Group also participated the construction of light-rail and subway of the almost all the cities in China, and built large automatic maintenance machine, which fundamentally change manual maintenance history in China.

The Group has expanded into diversified businesses with market leadership in various segments and areas.

Over the years, the Group has endeavored to diversify its businesses and achieved a market leading position in various business segments and areas.

The Group is the market leader in infrastructure construction, planning, design and consultancy.

The Group has vigorously expanded into diversified businesses related to infrastructure construction, including survey, design and consultancy. After years of efforts, the Group has become the market leader in infrastructure construction, planning, design and consultancy with strong capability in planning, design and consultancy. It mainly comprised four large Grade II institutes with comprehensive Grade-A engineering design qualifications and 24 tertiary and lower-level specialized design institutes as at 31 December 2025. The Group provides planning design and consultancy services for the whole process of several milestone projects:

- Guangzhou Baiyun Station Integrated Transport Hub is the first large-scale over-station development project in China combining a national railway station with a comprehensive transportation hub and was honored with the prestigious FIDIC Outstanding Award in 2025, making it the only railway design institute to receive this distinction;

- Quanzhou Bay Cross-Sea Bridge is the world's first high-speed railway bridge spanning the sea, marking the beginning of a new era for cross-sea high-speed rail infrastructure and serving as a critical link in China's coastal high-speed rail corridor. The project was honored with the FIDIC Excellence Award in 2024, the highest distinction granted by FIDIC. It was one of only three Excellence Awards worldwide and the sole Chinese project to receive this prestigious recognition that year. The Group also participated in the design and construction of the Fuzhou-Xiamen High-Speed Railway, China's first cross-sea high-speed railway designed for speeds of 350 kilometres per hour;

- Xi'an Metro Line 2 (the only metro project in China and Asia and the first metro project in the world to win such award the "*FIDIC Grand Awards*");

- multiple projects were admitted as the Classic and Boutique Projects in the 35 Years of Reform and Opening-up by China Construction Industry Association, such as Beijing-Shanghai high-speed railway, Wuhan station of Wuhan-Guangzhou passenger dedicated line, Wuhan Yangtze River tunnel project, Qinling I of Xi'an-Ankang railway Line tunnel project, New Qinghai-Tibet Railway Golmud-Lhasa section project, Lanwu second line Wusheling extra-long tunnel project; and

- the "First Prize of Excellent Design Achievement of National Engineering Construction Project" in for Beijing-Shanghai High-speed Railway DK950+039-DK1148+522 section.

The Group is the largest in Asia and the second largest in the world rail track maintenance machinery manufacturer. It also has leading technology of high-speed rail track system.

The Group designs, researches, develops, manufactures and maintains large rail track maintenance machinery, as well as maintenance and construction components for the track system through its subsidiaries, including China Railway Construction Heavy Industry Co., Ltd. and CRCC High-Tech Equipment Corporation Limited. China Railway Construction Heavy Industry Co., Ltd. focuses on the manufacture of railway switches and rail fasteners for high-speed railways. It is Asia's largest and the world's second largest manufacturer of large-scale road maintenance machinery and manufactured a series of large products in line with China's railway market, such as cleaning and screening machines, tamping, ballast matching machines, and stabilizers, which has changed the history of manual maintenance of railways in China. In 2025, China Railway Construction Heavy Industry Corporation Limited, a subsidiary of the Group, was selected as an Excellence-level Smart Factory by the Ministry of Industry and Information Technology.

It has the most advanced and fully equipped shield/TBM professional production line with largest production capacity in China and it has self-developed high-end shield/TBM with its own intellectual property rights. Composite EPB shield is one of the key products of China Railway Construction Heavy Industry Co., Ltd. with the largest market share among shield market. The products are widely used in the subway construction projects in cities like Changsha, Beijing, Xi'an, Wuhan, Guangzhou, Suzhou, Nanjing and Fuzhou. In addition, it has world leading self-developed mining tunnel machinery and the most advanced production lines for turnouts, elastic fasteners and brake shoes, with exports to the United States and Canada.

Deepening and Enhancing Reforms, Achieving Comprehensive Breakthroughs in Various Areas.

The Group has realized its supply chain management optimization by strengthening the integration of business and finance and building a first-class advanced supply chain management system. Driven by the overall direction adhere to the problem-oriented approach, optimize top-level design, strengthen basic management, and plan key work in an integrated manner, the Group has realized a showcase of six efficacies, i.e. intensive, flat, smart, green, bright and synergistic. The Group's flagship logistics business is mainly operated by China Railway Material Group Co., Ltd., or CRCC Material, a subsidiary of the Group specialising in logistics operations. CRCC Material has achieved rapid development in its logistics operations and has become a large-scale modern supply chain integrated service provider with business covering every aspects of rail transit construction, operation and maintenance. It has grown into the largest railway engineering logistics services provider around the world and the second largest supplier of railway supplies in China. CRCC Material has served over half of the railway construction projects in China as well as other urban rail transit, highways, municipal ports construction projects. In terms of overseas operation, CRCC Material has its presence in railway material market in Africa, South East Asia and America. The Group also engages in the trading of construction materials, such as steel rail, which enhances its ability to purchase and supply key materials. It has established strategic relationships with many key material suppliers, such as China National Petroleum Corporation and China Petroleum and Chemical Corporation, and several major steel companies in China.

The Group has implemented its strategic reform to enter into emerging industries, increasing its engagement in new projects, and accelerating its transformation and upgrade initiatives, driving rapid growth in order intake. It actively follow SASAC's strategy to make efforts to develop both traditional industries and strategic emerging industries, and leads the development of new quality productivity. The major achievements include UAV LiDAR surveying operations; mobile SLAM surveying operations and results for the Sheshui River Highway Bridge; BeiDou satellite positioning drives intelligent surveying and mapping; and Intelligent Surveying and Investigation Big Data Platform. For the year ended 31 December 2025, the Group's strategic emerging industries businesses recorded newly signed contracts totaling RMB28.7 billion, representing 0.93% of total contracts and a year-on-year increase of 17.08%.

In addition, the Group also emphasises its green transformation. It established Green and Low Carbon Industry Research Institute. Following the national "Carbon Peaking and Carbon Neutrality Goals" strategy, cultivates innovation-driven new productivity and realizes high-quality development. The First industry technology research institute was established under the Group's "1+9+N" science and technology innovation system, aiming to accelerate the formation of new productivity in the field of green and low-carbon industries by carrying out research on related technologies, product innovation and industry cultivation. In terms of green and environmental protection business development, the Group actively responds to national strategies by aligning with major ecological and environmental protection initiatives and regional sustainability goals. It is vigorously expanding its environmental governance business, with a strong focus on key areas such as desertification control, soil remediation, mine restoration, and wastewater treatment. Through project investment, construction, and operation, the Group is driving the green upgrade of infrastructure and building an integrated industrial ecosystem, positioning the green and environmental protection sector as a new growth engine. For the year ended 31 December 2025, the Group's green and environmental protection segment recorded newly signed contracts totaling RMB335.1 billion, representing 10.89% of total contracts and a year-on-year increase of 5.76%. At the same time, the Group is leveraging its industrial and supply chain advantages through multiple measures to actively participate in the formulation of low-altitude economy development plans for various cities. It is also engaged in related technological breakthroughs and research projects, while providing specialized technical training for professionals, laying a solid foundation for the growth of the low-altitude economy.

The Group has diversified and dimensional channels of finance.

The Group implements prudent financial management policies to maintain a strong credit profile and balance sheet position. Due to its strong credit profile and balance sheet position, the Group is able to access diversified funding sources, including bank borrowings and capital markets. The Group maintains a close relationship with the policy banks, commercial banks and foreign banks and already had banking credit facilities from multiple domestic and overseas banks, with an aggregate amount of approximately RMB3,172.8 billion, of which an amount of approximately RMB1,309.1 billion had been utilized as of 30 June 2026. The Group constantly monitors its current and expected liquidity requirements and complies with borrowing covenants to ensure sufficient cash reserves and adequate committed facilities to satisfy its short-term and long-term liquidity requirements. As at 31 December 2023, 2024 and 2025, the loans and bonds payable that will expire within one year amounted to 39.0 per cent., 44.7 per cent. and 40.1 per cent. of the total loans and bonds payable, respectively. The Group implements a centralised capital management system to improve the capital utilisation efficiency. In addition, the Group implements a lean management system to reduce project development costs and improve the efficiency of project development. The Group has access to equity financing on both the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The Group has been listed on the main board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange since 2008 and raised U.S.$5.7 billion from the markets. In addition, on 22 June 2021, the shares of one of the subsidiaries of the Group, namely China Railway Construction Heavy Industry Co., Ltd. were listed on the Science and Technology Innovation Board to the Shanghai Stock Exchange. Through these multiple channels of financing, the Group expects to raise additional capital for its business development.

The Group has implemented internal procedures with a view to enhancing and maintaining its internal control system, which covers the Group's material production and operational decisions, the development of an information technology system, protection of intellectual property, the establishment of risk and asset management systems, maintenance of an internal audit system and compliance with local laws and rules in both domestic and international markets.

The management will hold meetings at least four times a year to analyze and make plans to manage credit risk, liquidity risk and market risk. Besides, the board will hold meetings at least twice a year to discuss and approve proposals from management. Generally, the Group implements conservative strategies in risk management. As a result, the Group has maintained a strong financial position. As at 30 June 2026, the Group had cash and bank balances of RMB168.3 billion and net current assets value of RMB44.3 billion. The Group had bonds payable of RMB56.1 billion as at 30 June 2026.

The Group benefits from its experienced management team, capable professional technical talents and prestigious legacy, its widely-recognised brand name and excellent corporate culture.

The Group's senior management team consists of experts with an average industry experience of over 25 years, with extensive experience in large-scale infrastructure design and construction projects, the manufacture of large rail track maintenance machinery and other areas related to infrastructure construction. In particular, Mr. Dai Hegen, the Chairman of the Company, has more than 37 years of industry experience, Mr. Pei Minshan, the President and Executive Director of the Company, has more than 34 years of industry experience, and Mr. Zhu Hongbiao, the Chief Accountant has more than 32 years of industry experience. The Group's management team has extensive industry management experience in respect of enterprise operation, financial management, capital operation and the development of corporate culture, and is able to handle complicated and volatile situations. The Group believes that its management team is equipped with the critical industry knowledge required to take advantage of market opportunities, formulate sound business strategies, assess and manage risks, and implement measures relating to management and production, all of which are expected to increase the Group's overall profit and maximise shareholders' value. In addition, the Group has a strong professional team, with two members of the Chinese Academy of Engineering, 10 National Survey and Design Masters, 11 national candidates of the "Bai Qian Wan Talents Project" and 310 experts who are recipients of special subsidies granted by the State Council.

The management team's strong expertise and commitment to quality have contributed to the successful establishment of the Group's brand name, "CRCC". The Group believes that, when selecting contractors for major infrastructure construction projects, the customers, including the PRC Government, foreign governments and project commissioners, place significant weight on the candidates' industry experience and brand name. As "CRCC" is well recognised in both domestic and overseas markets, the Group is often among the primary choices of contractors for infrastructure construction projects.

The Group believes that its success is partly due to the management team's adherence to its excellent corporate culture, with the core values of "integrity, innovation, excellence and high morality". In November 2012, the Company was awarded the "Outstanding Unit of Building Enterprise Culture in China" by China Enterprise Culture Management Professional Committee of China Culture Administration Society for its excellent corporate culture. The Group believes its corporate culture will continue to support its healthy growth in the future.

BUSINESS STRATEGIES

The Group's vision is to become a world-class modern enterprise. Under its "1256" medium- and long-term development strategy, the Group aims to become a world-class modern enterprise by reinforcing and upgrading its traditional construction businesses and cultivating strategic emerging industries. While reinforcing and upgrading its traditional construction business at one end, the Group also plans to incubate and grow its businesses in emerging industries so as to develop five new areas of growth, namely, new infrastructure construction, new equipment, new material, new energy and new service. In order to achieve this goal, the Group will accelerate its transformation to high-end, intelligent, green, refined, digital and international operations. In particular, the Group intends to implement the following strategies.

Continue to develop construction as its pillar business.

China's economy is expected to maintain a steady growth in the long run. Instead of chasing for high growth rate, the PRC Government started to focus on the quality of the economy. Along with the advancement of high-quality growth of its economy, China has established a new pattern for development with coordination between the market and government as well as between supply and demand. This provides a more stabilised and rationalised market for the development of the Group's business. In addition, driven by the government's various regional development initiatives, such as coordinated development of Beijing-Tianjin-Hebei Region (including Xiong'an New Area), the Yangtze Economic Belt, the Yangtze River Delta, and Guangdong-Hong Kong-Macau Great Bay Area, Chengdu-Chongqing Economic Circle and the Yellow River Basin, as well as the furtherance of urbanisation in the PRC, the Group expects that the demand for infrastructure construction will steadily increase and continue to drive the business growth of the Group in the industry.

The Group is a leader in China's construction industry in terms of total assets, total revenue and new contract value. After years of development, the Group has accumulated abundant experience and expertise in large-scale and complex infrastructure construction projects as well as advanced technology in construction equipment. Taking advantage of these as well as its economies of scales and strong financing capability, the Group aims to put emphasis on high-quality growth and reinforce its leading position in China's infrastructure construction market through implementing the strategies of (i) focusing on business development surrounding the municipals; (ii) leading by high-end development and operating under the synergies among business lines and collaborations; (iii) enhancing penetration of local markets through projects under construction; and (iv) steadily growing from both traditional operations in the construction of infrastructure including railways (including high-speed railways), highways, tunnels, bridges, urban rail transit, ports and airports, real estate, water conservancy and hydropower projects and municipal projects as well as emerging market, such as utility tunnel, sponge city, environmental protection and pollution control, which the Group believes may become one of the main drivers for the growth of domestic infrastructure industry.

The Group intends to continue to optimise its operational layout, strengthen internal coordination and enhance the management and execution of major and complex projects. The Group also intends to deepen the integration of business and financial management, further strengthen the role of technology innovation in supporting its operations, and enhance coordination between innovation resources and financial resources. Looking ahead, the Group aims to achieve a strong start to the 15th Five-Year Plan and continue to deliver value to its shareholders and investors.

Leverage the synergy of diversified business model of the Group to forge "high-quality CRCC" to achieve the goal of becoming a comprehensive construction industry group.

The Group has been aiming to build diversified operations in the construction industry by leveraging the competitive advantage of the Group's main business, brand name and reputation, with a view to achieving economies of scale and enhancing its market competitiveness. The Group also intends to fully integrate its operations through expanding horizontally and vertically along the industry chain, including integrating engineering design with construction, capital operation with industrial operation, and international operations with domestic operations. The Group seeks to build on the synergy from integration to develop different businesses segment ancillary to its core business.

Over the years, the Group had already completed its overall layout along the chain of construction industry, transforming from single focus on railway construction to a more balanced business combination of five major businesses of construction, survey, design and consultancy operation, manufacturing, real estate development and logistic and materials trading, investment with other emerging business. The Company intends to adhere to the development philosophy of "seeking truth from facts, innovated for the transcendence and walking steadily", which is aimed at servicing the national economic and social development and satisfying the ever-changing needs of the people in hoping for a better life. The Group plans to further diversify its business to develop three additional business

segments, i.e. investment and operation, green and environmental protection and industrial finance with footprints in emerging industries such as municipal operation, culture, travelling, health and wellness, information technology and new material. Leveraging the synergy of diversified business model built up by the Group along the chain of construction industry, the Group plans to forge "high-quality CRCC" oriented by the value of quality first and profit priority, to enhance the operational efficiency as well as its capability of providing one-stop high quality comprehensive services to the customers so as to develop towards its goal of becoming a comprehensive construction industry group with valuable creativity.

The Group plans to continue to enhance its operational efficiency through rationalising and consolidating its internal management system and further integrate its internal resources to enhance efficiency in allocation.

The Company has realised the transition from a construction enterprise to a one-stop solution provider with an integration of scientific research, planning, survey, design, construction, supervision, maintenance, operation, investment and financing, with the capability of expansion and synergy along the whole industry chain. During the period of the 15th Five-year Plan, the Group intends to progress smoothly with focus on quality development and profitability and continue working on innovation, transformation and upgrading. The Group plans to continue to expand and strengthen its major businesses and endeavour to increase business scale as well as quality of development through further reinforcing and perfecting the management system, taking advantage of regional operation, focusing on industrial upgrade, intensifying synergy and coordination among business lines, developing new emerging business, enhancing capability in industry incubation, enhancing the brand and consolidating the foundation of its business.

Continue to strengthen its capability in research and development and foster new quality of productivity.

The Group has a well-established world leading position in the design and construction technology in railway construction in plateau, alpine region as well as high-speed railway. The Group also has the advanced technology of large railway track maintenance machinery in the world. The Group intends to take advantage of strong capability in research and development to continue developing cutting-edge technology with a focus on railway, highway and urban transit construction, heavy machine manufacturing and survey and design. The Group intends to make effort to strengthen its technological innovation and develop its own technology moat through increasing the number of products designed with independently developed or owned intellectual property rights. In 2020, the Group continuously promoted the research and development of the national theme of developing and utilising the urban underground space, and jointly led the publication of four international standards. The Group also established an internal experts committee and completed the preparation work for the first batch of engineering laboratories. In the year of 2025 alone, the Group was granted 6,732 new authorised patents, including 2,990 invention patents. The Group has constructed a patent portfolio to protect its independent intellectual property rights and core competitiveness.

Following the 14th Five-Year Plan period, the country will continue to invest in transport infrastructure construction, the high-end equipment manufacturing will embrace golden growth opportunities, and intelligent manufacturing development will be promoted in an all-round manner. The continuously improved core equipment supply capacity and the accelerated major technology and equipment localization will offer great opportunity and platform to high-end equipment manufacturing. By adhering to the system of "1+9+N" (i.e. one CRCC Science and Technology Research Institute, nine industrial technology research institutes and numerous joint efforts in conquering difficulties), the Group invests in technology research and development continuously, and promotes the integration of advanced technology and new approach and process to improve independent innovation capability.

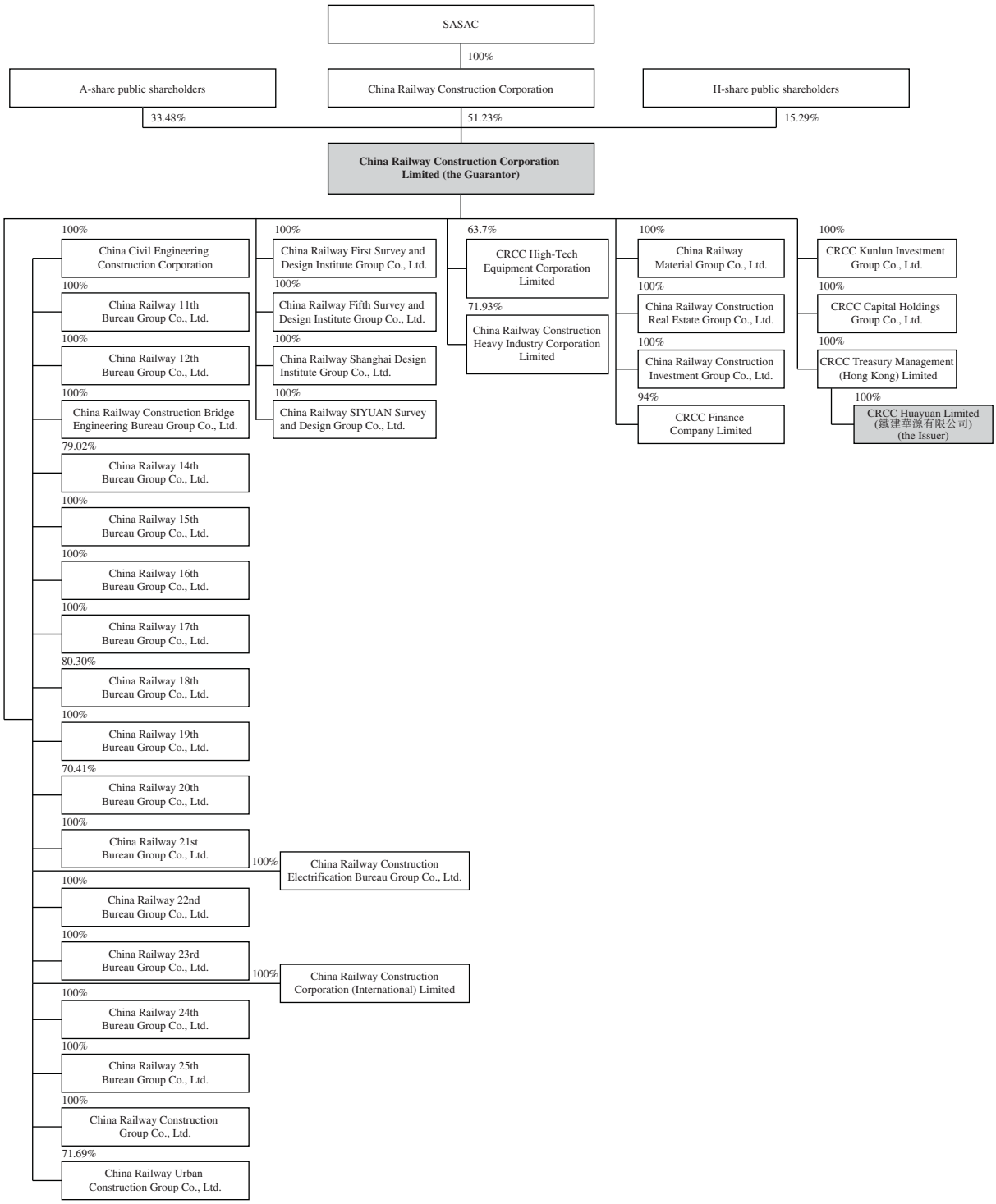
Continue to pursue economic benefits from dual circulation and interaction between domestic and overseas operations to achieve high-quality overseas development.

Closely following the steps of the PRC Government in implementing its strategy of "dual circulation", "going abroad" and the "Belt and Road Initiative" for years, the Group has established its strong presence in overseas market with well-established reputations. The Group had participated in infrastructure construction in the countries and regions in Africa, Asia, Europe, America and Oceania. In 2025, the Group completed and accepted 274 projects overseas with a total project amount of RMB37,526.1 million. As at 31 December 2025, the Group had 1,875 overseas projects under construction with a total project amount of RMB1,124,197.6 million. The Group has completed several landmark projects, such as the Serbia Section of the Hungary-Serbia Railway, which was opened to traffic, and the Western Railway Mineral Line in Algeria, which was fully laid. The newly signed contract value for the Group's overseas projects in 2025 amounted to RMB363,339.8 million. Such new contract value includes several landmark projects: the King Saud University Infrastructure and Supporting Facilities Relocation Project, the China-Kyrgyzstan-Uzbekistan Railway Project and the Tazara Railway (Tanzania to Zambia) Revitalization Project.

The Group intends to continue to expand its footprint abroad and leverage the implementation of the national strategies of the PRC Government and continue to enhance its presence in the overseas market. China has actively promoted the reform of the governance system and responded to the external changes with high-quality opening up of the economy. Together with increasing influence of China in the world, the Group believes these will provide plenty of opportunities to the Group for the development of its business, especially for its overseas expansion. In particular, guided by the national strategies of "dual circulation" and "Belt and Road Initiative", a layout of supply chain has already been formed in the countries along the route which could provide a strong support to the enhancement of infrastructure construction capabilities of the Group. The Group, which has already established its presence in the countries of "Belt and Road Initiative", intends to take advantage of these resources, together with its abundant domestic resources, to seize the opportunities in these foreign counties and to create smooth dual circulation between domestic and overseas markets so as to achieve a sustainable, healthy and strong overseas development.

CORPORATE STRUCTURE

The following chart shows the principal subsidiaries of the Group as at 30 June 2026:



PRINCIPAL PRODUCTS AND SERVICES

The Group mainly operates the following businesses:

- ***Construction operation,*** the traditional and core business of the Group. The Group's construction operations mainly include railways, highways, rail transits, water conservancy and hydropower, housing construction, municipal engineering, bridges, tunnels, airports and wharves;

- ***Planning, design and consultancy,*** covering civil engineering and infrastructure construction related to railway, urban rail transits, highways, municipal administration, industrial and civil buildings, magnetic levitation, water transport, hydropower, airports and civil defense whilst keeping expanding into the emerging industries and areas, such as intelligent transport, modern tramcar, urban utility tunnel, urban underground space, ecological environment and environmental protection;

- ***Real estate development,*** including the development, construction and sale of real estate;

- ***Manufacturing,*** including three core business, i.e. equipment manufacturing, material production and precast concrete production. The business scope covers large railway track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts;

- ***Materials, logistics and other businesses,*** including logistics, warehousing and distribution, spot trading and international trading, financial insurance, concession, mining resources development and railway operation and management.

The following table sets forth the breakdown of the Group's revenue by segment for the years/periods indicated:

	For the year ended 31 December			For the six months ended 30 June	
	2023	**2024**	**2025**	**2025**	**2026**
	(RMB in millions)				
				(Unaudited)	
Construction operations	987,324.5	931,245.5	906,681.0	434,599.6	388,186.1
Planning, design and consultancy operations	18,754.0	18,024.3	16,916.3	6,743.2	6,358.1
Manufacturing operations	23,999.3	23,394.7	24,430.8	11,826.0	11,507.6
Real estate development operations	83,271.8	71,890.4	66,563.7	20,755.4	13,252.3
Other business operations	95,865.8	86,864.1	74,630.6	40,718.1	33,450.9
Inter-segment elimination	(71,221.9)	(64,247.7)	(59,437.9)	(25,443.2)	(24,317.1)
Total	**1,137,993.5**	**1,067,171.3**	**1,029,784.5**	**489,199.1**	**428,437.9**

The following table sets forth the breakdown of the Group's gross profit by segment for the years/periods indicated:

	For the year ended 31 December						For the six months ended 30 June			
	2023		2024		2025		2025		2026	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)	(RMB in millions)	(%)
							(Unaudited)			
Construction operations	87,614.0	8.87	81,454.3	8.75	75,225.9	8.30	32,277.3	7.43	30,052.8	7.74
Planning, design and consultancy operations	8,114.5	43.27	7,562.4	41.96	6,351.3	37.55	2,681.7	39.77	2,674.2	42.06
Manufacturing operations	5,237.9	21.83	5,228.8	22.35	5,122.0	20.97	2,504.1	21.17	2,149.1	18.68
Real estate development operations	10,166.7	12.21	7,851.3	10.92	5,727.2	8.60	2,008.3	9.68	803.3	6.06
Other business operations	7,613.8	7.94	7,965.0	9.17	8,053.6	10.79	4,016.9	9.87	4,342.1	12.98
Inter-segment elimination	(502.5)	–	(492.3)	–	(362.5)	–	(227.0)	–	(355.4)	–
Total	**118,244.4**	**10.40**	**109,569.5**	**10.27**	**100,117.5**	**9.72**	**43,261.3**	**8.84**	**39,666.1**	**9.26**

CONSTRUCTION

Overview

The Group is one of the largest providers of railway construction services in China. The Group is also one of the largest providers of high-grade road construction services in China, with a focus on the construction of freeways as well as bridges and tunnels as part of its highway construction projects. Moreover, the Group is a leading provider of construction services in terms of revenue in the domestic market for bridges and tunnels, and has completed various bridge, tunnel and underground construction projects that meet international standards. It is also a leader in the construction of metropolitan railways, having participated or is currently participating in the survey, design and construction of metropolitan railway projects in all cities throughout China with such projects.

Since the Company's reorganisation in 2007, the provision of construction services has been the Group's traditional and core business. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, revenue generated from the construction operations before inter-segment elimination was RMB987,324.5 million, RMB931,245.5 million, RMB906,681.0 million and RMB388,186.1 million, respectively, accounting for 81.7 per cent., 82.3 per cent., 83.2 per cent. and 85.7 per cent., respectively, of its total revenue before elimination of inter-segment sales. For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, gross profit generated from the construction operations before inter-segment elimination was RMB87,614.0 million, RMB81,454.3 million, RMB75,225.9 million and RMB30,052.8 million, respectively, accounting for 73.7 per cent., 74.3 per cent., 74.9 per cent. and 75.1 per cent., respectively, of its total gross profit before elimination of inter-segment sales. Through its subsidiaries, comprising construction group companies and CCECC the Company engages in the provision of domestic and overseas construction for projects such as railway, highway, bridge, tunnel, metropolitan railway, water conservancy and hydropower facility, airport, port, industrial and civil construction and municipal projects. Multiple projects were admitted as the Classic and Boutique Projects in the 35 Years of Reform and Opening-up by China Construction Industry Association, such as Beijing-Shanghai high-speed railway, Wuhan station of Wuhan-Guangzhou passenger dedicated line, Wuhan Yangtze River tunnel project, Qinling I of Xi'an-Ankang railway Line tunnel project, New Qinghai-Tibet Railway Golmud-Lhasa section project, Lanwu second line Wusheling extra-long tunnel project.

The Group has been engaged to provide services in all provinces, autonomous regions and municipalities of China. It is also involved in overseas infrastructure construction projects located in overseas countries, including those in Africa, Asia, the Middle-East and Europe, as well as Hong Kong and Macau.

Railway Construction

The Group's predecessor was the Railway Engineering Corps, and, therefore, the construction of railways have always been a significant part of the Group's core operations. The Group is one of the largest providers of railway construction services in China.

The Group has constructed multi-track and main railway lines, including landmark railway lines such as the Beijing-Xiong'an, Beijing-Zhangjiakou, Rye, Qinghai-Tibet (Phases I and II), Beijing-Kowloon, Datong-Qinhuangdao, Southern Xinjiang, Nanning-Kunming, Neijiang-Kunming, Guangzhou-Shenzhen, Qinhuangdao-Shenyang, Chongqing-Huaihua, Xi'an-Hefei, Yangshou-Huanghe, Xiangfan-Chongqing, Chengdu-Kunming, Yingtan-Xiamen, Baoji-Lanzhou, Guiyang-Nanning railway lines and the Guangdong Sea Passageway. In 2020, the Group has completed laying track of the Inner Mongolia-Jiangxi Railway, which is the longest heavy haul railway in China. The Group has undertaken the following landmark railway or railway system projects in recent years:

- *"Eight Vertical and Eight Horizontal" High-Speed Railway Network Projects*: The Group continued to participate in the development of China's "eight vertical and eight horizontal" highspeed railway network, with projects such as Nanjing North Railway Station, Wenzhou-Fuzhou High-Speed Railway, Baotou-Lanzhou Railway, Shenyang-Baihe High-Speed Railway and Xiangyang-Jingzhou High-Speed Railway having commenced construction, entered operation or been completed.

- *Jintang Subsea Tunnel of Yongzhou Railway*: The Jintang Subsea Tunnel of Yongzhou Railway spans a total length of approximately 16.18 kilometers, with a shield-driven section of 11.21 kilometers, making it the world's longest and most water-pressure-resistant high-speed rail tunnel beneath the sea, capable of withstanding pressures up to 0.85 MPa. The project utilizes custom-built mega-diameter shield machines of "Yongzhou" and "Dinghai," each with a diameter of 14.57 meters, for the first-ever planned precision docking and in-tunnel disassembly of such equipment beneath the seabed.

- *Lanzhou-Xinjiang High-Speed Railway*: The Lanzhou-Xinjiang High-Speed Railway extends approximately 1,776 kilometers, representing the world's longest high-speed rail line ever completed and commissioned in a single phase. The project overcame world-class engineering challenges, including permafrost on high plateaus and complex "debris flow" geological conditions and successfully constructed the Qilian Mountain tunnel cluster, renowned as the "highest high-speed rail tunnel system in the world;

- *Guangzhou-Zhanjiang High-Speed Railway*: The Guangzhou-Zhanjiang High-Speed Railway was the project of the highest standard, in the longest length and with the largest investment in the history of Guangdong province. It connects the Guangdong-Hong Kong-Macao Greater Bay Area with Hainan Free Trade Port. It is also an important component of the high-speed railway system of the Beibu Gulf;

- *Hangzhou-Huangshan High-speed Railway*: The Hangzhou-Huangshan High-speed Railway passes alongside seven class 5A scenic spots and over ten national geoparks in China;

- *Shangqiu-Hangzhou High Speed Railway*: The Shangqiu-Hangzhou High Speed Railway, which is an important mainline through the central plain, Yangtze and Huai rivers and the Yangtze River Delta region, connecting the Zhengzhou-Xuzhou High-speed Railway, Beijing-Kowloon High-speed Railway and the Beijing-Xiong'an-Shangqiu High-speed Railway;

- *Beijing-Shanghai High-speed Railway*: The Beijing-Shanghai High-speed Railway is the world's longest high-speed railway ever constructed in a single phase. It has a total length of 1,318 kilometres, of which the Company undertook 46.8 per cent. of the construction, constituting the largest proportion of the construction contract for this high-speed railway in terms of contract value;

- *Qinghai-Tibet Railway (Phase I and Phase II)*: The Qinghai-Tibet Railway Line is the world's longest, highest and most technologically sophisticated plateau railway. This renowned railway project connecting Xining and Lhasa has two phases that commenced commercial operations in July 1984 and July 2006, respectively. The Group was responsible for the construction of 71.1 per cent., or approximately 1,406 km of both phases of the Qinghai-Tibet Railway Line, including, all construction beyond an altitude of 4,900 metres and the majority of the difficult railway lines beyond an altitude of 4,600 metres of Phase II of the railway, as well as the sections of the railway crossing the Tanggula and Kunlun mountains. The Group successfully overcame three significant challenges presented by permafrost, low oxygen levels due to high altitudes and the fragile ecology of the Qinghai-Tibet Plateau;

- *Chengdu-Kunming Railway*: The Chengdu-Kunming Railway is, with total length of 1,100 kilometres, entitled "Geological Museum" and regarded as the miracle in the history of the world's railway building for its extreme complexity in topography and geology;

- *Beijing-Tianjin Intercity Railway*: The Beijing-Tianjin Intercity Railway, which was completed in 2008, was the first intercity high-speed railway in China;

- *Nankun Qingshui River Railway Bridge*: The Nankun Qingshui River Railway Bridge, with a pier height of 100 metres, is the first railway bridge with pier over 100 metres high in China;

- *Yiwan Railway*: The Yiwan Railway is a mountain railway with the most complicated topography and geological conditions, and the most difficult and longest construction process in the history of China's railway construction;

- *Qinling Tunnel of Xikang Railway*: The Qinling Tunnel of Xikang Railway, completed in 1999, was China's longest railway tunnel at that time as well as the first railway constructed with the application of TBM; and

- *Harbin-Dalian Passenger Dedicated Railway*: The Harbin-Dalian Railway, completed in 2012, is the world's first high-speed railway constructed in alpine region.

Highway Construction

The Group is one of the largest providers of high-grade road construction services in China, with a focus on the construction of freeways as well as bridges and tunnels as part of the constructed highways. Its customers are mainly provincial or municipal transportation divisions and highway development companies. The Group has advanced technologies for constructing foundations and surfaces of highways and airport runways and held various Grade A qualifications to conduct highway general construction contracting services.

Since its inception, the Group has constructed freeways and highways located in all provinces, municipalities and regions in China, except Taiwan, with a total length exceeding 50,000 kilometres, including Béjaïa Expressway and the Shenyang-Dalian, Jinan-Qinghai, Taiyuan-Yangquan, Xuanwu-Dalian, Tongjiang-Sanya, Chengdu-Chongqing, Beijing-Zhuhai, Beijing-Shanghai, Beijing-Fujian, Beijing-Shenzhen, Beijing-Chengde and Jiangxi-Guangdong freeways. The Group has undertaken the following landmark highway projects in recent years:

- *Shuangyu Gate Grand Bridge*: The Shuangyu Gate Grand Bridge, with a main span of 1,768 meters, stands as the world's largest single-span suspension bridge utilizing a steel box girder design. Its cable towers feature an advanced composite structure of structural steel and concrete, ensuring exceptional strength and durability. The project incorporates internationally recognized, cutting-edge construction techniques, including the integrated hoisting of structural steel frameworks and prefabricated reinforcement components, underscoring its engineering excellence and global leadership in bridge innovation.

- *Guangwushan-Nuoshuihe Highway*: The Guangwushan-Nuoshuihe Highway connects seven important scenic sites in Bazhong city. It is conducive to the formation of a fast, convenient and comfortable tourism channel and the construction of a comprehensive tourism transportation network of "fast transportation and slow tourism". It comprises three provincial roads, and connects two highways and two national roads.

- *Wuhan-Songzi Highway (Jiangling-Songzi section)*: The Wuhan-Songzi Highway (Jiangling-Songzi section) is the key construction project in Jingzhou and in the 13th Five-Year Plan for the National Economic and Social Development of the Department of Transport of Hubei Province.

- *Section Wutong Daquan-Mulei of Beijing-Urumqi Freeway*: The Beijing-Urumqi Freeway is a significant landmark project of the "Belt and Road Initiative" and the world's longest cross-desert freeway. Its Wutong Daquan-Mulei section has a total length of 515 kilometres.

- *Xiamen Xiang An undersea Tunnel*: The Xiamen Xiang An undersea Tunnel is China's first cross-sea tunnel.

- *Shenyang-Dalian Freeway*: The Shenyang-Dalian freeway was China's first freeway and was later expanded to become its first eight-lane freeway. It is 375 kilometres long and connects Shenyang and Dalian, two major cities in northeastern China. The Group completed the groundwork for this freeway in 1990, which has a total length of 28 kilometres. It also participated in the expansion project for this freeway, which was completed in 2004.

- *Longtan River Bridge*: The Longtan River bridge has the highest pier in Asia.

- *Nanjing Yangtze River Tunnel*: The Nanjing Yangtze River Tunnel is the most technologically sophisticated tunnel crossing the Yangtze River. The diameter of the shield tunneling machine used in this project is the greatest in the world.

- *Qinling Zhongnan Mountain Highway Tunnel*: The tunnel is entirely designed and constructed by the Group, and was the longest twin-tubes tunnel implementing the highest technical norms in 2007 in the world.

Metropolitan Railways

The Group is a leader in the construction of metropolitan railways in China. It independently constructed the first subway in China — Line One of the Beijing City Subway. It has participated or is currently participating in metropolitan railways projects in all cities throughout China with such projects, including Dalian, Tianjin, Chongqing, Wuhan, Beijing, Guangzhou, Shanghai, Nanjing, Shenzhen, Urumqi, Huhhot, Changchun, Chengdu, Nanjing, Qingdao, Hangzhou and Huzhou. In recent years, the Group has significantly developed its metropolitan railway business. The Group has made certain breakthrough achievements in the construction of urban light rail systems, shield tunneling, pile foundation underpinning, large cross-section excavation technology in complex geographical conditions and the utilisation of anti-vibration and noise reduction technologies for metropolitan railway lines. The Group's customers mainly consist of transportation bureaus and transportation system operators of major cities in China. Landmark metropolitan railways constructed by the Group include Wuhan Metro Line 6 and Nanning Metro Line 3. The Group also constructs railway stations such as Kunming South Railway Station.

The Group has also undertaken the following landmark tracks and metropolitan railway projects in recent years:

- *Shanghai Maglev Demonstration Line*: In 2001, the Group participated in the construction of this maglev track, which is the first and only maglev track currently in commercial operation in China. The track recorded maximum train speed of up to 432 kilometres per hour during trial operations. The project was completed in 2002 with a total contract value of RMB540 million. The Group is currently the only company in China possessing proprietary knowledge of high-precision maglev track beam manufacturing technology and has obtained two intellectual property rights for technologies developed for this project.

- *Beijing Metropolitan Railway Lines*: The Group has constructed subway routes No. 1, No. 2, No. 4, No. 5, No. 10, No. 13 and the Bawangfen-Tongzhou Line of the Beijing Metropolitan Railway Lines System, the combined subway and light rail connecting Beijing Capital International Airport with the city centre of Beijing. The construction of routes No. 1 and No. 2 was completed in 1989 with a total contract value of RMB1.7 billion. As part of the subway line crossing the city centre, the Group employed underground excavation technology to minimise interference with city centre traffic.

- *Chongqing Light Rail*: This is a straddle-type, single-rail transportation system. The Group used its own PC beam technology with three patents in the beam body, mold and construction methods, and successfully overcame difficulties such as steep slopes, multiple curves and the manufacture and erection of an S-shape reverse curve PC beam. The project was completed in 2004 with a total contract value of RMB110.0 million. In 2005, this project received Top Ten Construction Technology Achievement in China collectively by the Ministry of Construction, the MOR, the MOT, the Architectural Society of China and China Construction Industry Association.

- *Extension for West-end of No. 2 Subway in Shanghai*: The project is an extension of the west-end of the No. 2 Subway in Shanghai with a total length of approximately 6.1 kilometres. The Group was engaged as the general contractor and completed the groundwork as well as the construction of the electrical engineering system and railways of all sections between stations. The project was completed in 2006 with a total contract value of RMB3.6 billion.

- *Macau Light Rail (Hengqin Line)*: The light rail line extends approximately 2.2 kilometers in length, including a structure shield tunnel of approximately 906 meters in length, which is excavated by Aoqin No. 1, an earth pressure balance shield of 8.01 meters in diameter.

Other Construction Projects

The Group also participated in the construction of other types of projects, such as water conservancy and hydropower facilities, electric engineering, airport, port and municipal construction projects.

The Group is expanding its business of construction or reconstruction of airports, train stations and ports and expects to generate substantial profits from such business in the future. The Group's major customers for such business are the transportation divisions of provinces and cities, administrators of airports and ports, and construction project entities established and managed by central or local governments. The Group has designed and/or participated in the construction of a significant number of airport projects as well as ports and train stations, such as the Beijing International Airport Terminal 3, Hongqiao and Pudong Airports in Shanghai, Huanghua Airport in Changsha, Meilan Airport in Hainan, Wenzhou Airport, Jiangbei Airport in Chongqing, Qingdao Harbor Project, the new Guangzhou Train Station and the new Wuhan Train Station. The Group won the Lu Ban Prize granted collectively by the Ministry of Construction and China Construction Industry Association for the construction of Wenzhou Airport, Jiangbei Airport in Chongqing and Dayaowan Phase I of Dalian Port. The Group also participated in the construction of the Jinan-Yellow River Tunnel, which is the first tunnel under the Yellow River. In addition, the Group contracted to construct and completed the first TBM coal inclined shaft, i.e., No. 2 auxiliary shaft of Shenhua Shen Dong Bulianta Mine in 2015 by leveraging on its advanced technology development in the TBM industry. In recent years, the Group has continued to expand its capabilities in airports. The Group has participated in the Guangzhou Baiyun Station Integrated Transport Hub Project, which is one of the large-scale integrated transportation hub projects developed above a national railway station yard in China. In overseas airport-related construction, the Group entered into a contract for the New Engineering Facilities Project for Dubai World Central Airport of Emirates Airlines in 2026, with a term of performance of 50 months.

The Group also constructs real estate projects and has built a reputation for high quality. As one of the 16 centrally-administered enterprises with real estate development as a principal business, the Group focuses its real estate operations in key cities including Beijing, Shanghai, Guangzhou, Chengdu, Xi'an, Hefei and Hangzhou, and adopts a model of giving priority to residential development supplemented by other industries. For example, the Sinosteel Mansion that the Group constructed was recognised by the Beijing Municipal Construction Committee as a project meeting leading international standards. The Group received Lu Ban Awards for its other projects, such as The Library of the Chinese Academy of Sciences in Beijing, the Natural Science Buildings Group of Peking University and the Headquarters of the China Construction Bank, or Xinda Finance Tower. The Group constructed Gui'an • Hua Yu Shu, located at the Gui'an New Area in Guiyang, with a total area of land for construction of about 110,000 sq.m. and a total floor area of about 310,000 sq.m. Gui'an • Hua Yu Shu is a landmark project the Group completed in Gui'an New Area. Chengdu Qingxiu Weizhe Mountain project, with a total floor area of 760,000 sq.m. and a total area of land for construction of 415 mu, is a high-end benchmark product developed on the basis of understanding of city renovation and international design by the Group in Chengdu. Another key real estate project developed by the Group is Jiaxing Huayu Jiangnan, which is located at the Nanhu District, with a total area of land for construction of 56,000 sq.m. and a total floor area of 170,000 sq.m. The project consists of two parts, the southern part of which develops high-rise residential buildings and the northern part are Chinese courtyards. The Group is also involved in the first future community project, namely Wenzhou Lucheng Future Community, with a total gross floor area of 136,800 square metres and a total area of land for construction of 353,500 square metres.

Overseas Construction Projects

The Group has been included in the "*Top 250 Global Contractors*" by ENR with ranking No. 3 in 2026. It conducts overseas operations mainly through its subsidiary, CCECC, which was established in 1979 and is one of the first Chinese companies to enter the international construction market. CCECC was formerly a foreign aid office of the MOR that organised and implemented the Tanzania-Zambia Railway Project, China's largest foreign aid project at the time. CCECC specialises in railway construction, including construction, design and consultancy, and cooperative labour arrangements in overseas countries and regions.

To implement the strategies of "Going Global" and "Going International" and enhance the Group's competitiveness in the international market, on 20 March 2012, the Group established China Railway Construction International Group Co., Ltd to undertake overseas construction projects. Over the years, the Group has gradually established "CRCC" and "CCECC", the two brand names it owns, and its reputation in the international construction industry. As at 31 December 2025, the Company's overseas business spanned 150 countries and regions as well as in Hong Kong, Macau and other regions in the overseas markets. As at 31 December 2025, 1,875 overseas projects were under construction. These efforts have established a solid foundation for its further development in overseas markets. In 2017, the Group completed the Gantas Tunnel in Algeria, which was the longest tunnel in North Africa. In 2018, the Group successfully completed annual operation tasks of overseas projects, such as Addis Ababa-Djibouti Railway and Mecca Light Rail. The Group was deeply involved in the China-aided African Union Africa Centres for Disease Control and Prevention (Phase I) Headquarters Project, the Salvador Sea-Crossing Bridge Project in Brazil, and the Phase III railway project in 10th of Ramadan City, Egypt. The Group also participated in the construction of the Jeddah Stadium and surrounding sports village facilities for the 2034 FIFA World Cup in Saudi Arabia.

For the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026, revenue generated from overseas operations was RMB60,309.9 million, RMB65,898.7 million, RMB75,873.5 million and RMB39,758.2 million, respectively.

Significant overseas projects undertaken by, awarded to or recently advanced by the Group include:

- *UAE Railway Phase II Project*: The UAE Railway Phase II Project is a landmark national infrastructure project in the United Arab Emirates connecting Abu Dhabi, Dubai, Sharjah, Fujairah and Ras Al Khaimah. The project achieved a number of significant construction milestones, including a single concrete pour exceeding 10,000 cubic metres, a record daily track-laying progress of 7.2 kilometres and the breakthrough of all nine tunnels within 422 days. The DMA10+400 Bridge of Section B of the project was featured on the new AED100 banknote issued by the Central Bank of the United Arab Emirates.

- *Emirates Airport Maintenance Hangar Project*: Recognized as the world's largest civil aviation maintenance hangar project, the Emirates Airport Maintenance Hangar Project has entered the substantive construction stage. With a total investment exceeding USD5.0 billion, it represents the largest contract secured by Chinese enterprises under the "Going Global" initiative in recent years.

- *China-Kyrgyzstan-Uzbekistan Railway*: Following the commencement of construction of the Fergana Mountain Tunnel, Naryn No. 1 Tunnel and Koshtobe No. 3 Tunnel, being three key control tunnels in the Kyrgyz Republic section, the China-Kyrgyzstan-Uzbekistan Railway Project entered the substantive construction stage. The China-Kyrgyzstan-Uzbekistan Railway is a flagship infrastructure project jointly endorsed by the heads of state of China, Kyrgyzstan, and Uzbekistan as a landmark collaboration under the Belt and Road Initiative. This strategic undertaking is designed to significantly strengthen cross-border connectivity between China and Central Asia, fostering regional integration and driving long-term economic growth.

- *Tanzania-Zambia Railway Revitalization Project*: Endorsed by the heads of state of three nations through the signing of a Memorandum of Understanding, the Tanzania-Zambia Railway Revitalization Project is widely recognized as the "Road of Friendship" and the "Road of Freedom," symbolizing enduring China-Africa cooperation. This transformative initiative will modernize the entire 1,860-kilometer TAZARA Railway, boosting freight capacity by twelvefold and reducing transit times by nearly two-thirds, thereby significantly improving regional trade efficiency and connectivity.

- *Solomon Islands 2023 Pacific Sports Game Stadium*: The project was the first large scale construction project under comprehensive assistance plan projects after the establishment of the diplomatic relations between the Solomon Islands and the PRC. The stadium is located in the

capital of the Solomon Islands, covering around 26,000 square meters. It hosted the 17th Pacific Sports Game in 2023 and hosted more than 5,000 athletes from more than 24 countries at the time.

- *Ciel Tower Project in Saudi Arabia*: The building constructed is the highest hotel architecture in the world at the time. The hotel has a GFA of more than 100,000 square meters, with the highest point reaching 373.5 meters above the ground. The project overcame various challenges during the construction, including one-time filling of concrete of 7 meters in length (approximately 8,000 cubic meters) and building of a 50 meters in height super-high tower scaffolding.

- *Magufuli Bridge*: It is the longest cable-stayed bridge in Africa. The bridge extends 4.66 kilometers with four lanes in both directions, and a designed travel speed of 120 kilometres per hour.

- *Algeria East-West Highway*: It runs 1,216 kilometers along the Mediterranean coast north of Algeria to connect Tunisia in the east and Morocco in the west. Going through 24 provinces to benefit 90 percent of the Algerian population, it is the largest foreign currency project since the founding of the People's Democratic Republic of Algeria. It is known as the Presidential Project and the Century Project and the winning bid section is honored as Algeria Engineering Textbook by the Algeria engineering community. Moreover, it received the 15th Zhan Tianyou Engineering Award, the Outstanding Contribution Award for Sino-Algeria Cooperation, the 2020-2021 National Quality Engineering Gold Award, and the top ten influential projects between China and Algeria.

- *Salvador-Itaparica Sea-crossing Bridge and Complementary Highway Project in Brazil*: This project has a total length of 46.8 kilometres and is comprised of two road systems and a cross-sea bridge. The bridge crossing Salvador and Itaparica, a double-tower and double-cable bridge, is 12.4 kilometres in length and is designed of two-way six lanes with two pavements. This project is implemented in PPP model and is planned to have a construction period of five years and an operation period of 30 years. The contract value amounted to RMB7.8 billion.

- *Qatar Lusail Stadium*: The Group has completed Qatar Lusail Stadium, which is known as the "No. 1 Project" of Qatar. The stadium has a construction area of 180,000 square meters and a capacity of 92,000 spectators. It was the first time for a Chinese enterprise to participate in the construction of the world's highest standard professional football stadium as a general contractor of design and construction. The projects adopted various technologies that were the most advanced in the world. The contract value of the project amounted to U.S.$769 million.

- *Ankara-Istanbul High-speed Railway (Phase II)*: The first high-speed railway constructed by PRC enterprises in overseas countries. The Ankara-Istanbul high-speed railway in Turkey has a total length of 158 kilometres with a designed speed of 250 kilometres per hour. The construction of the main part of Phase II was completed in January 2014 and the total contract value was approximately U.S.$1.3 billion.

- *Hong Kong West Rail*: One of the largest infrastructure construction projects in Hong Kong, the project was owned by the Kowloon-Canton Railway Corporation (KCRC), which is now a part of the MTR Corporation Limited. The Group participated in the construction of Tuen Mun Station, Siu Hong Station, Yuen Long Station, Long Ping Station and four sub-sections of the north rail section. The project was completed in 2003 and the total contract value was approximately HK$4.9 billion.

- *Construction and maintenance of the Nigeria Railway System*: The Group participated in the maintenance and construction of the Nigeria Railway System. The project was completed in 2003 and the total contract value was approximately RMB4.4 billion.

- *Macau Parliament Building*: For this landmark building in Macau with a total construction area of 17,500 sq.m., the Group constructed the main structure and undertook the decoration works. The project was completed in 1999 with a total contract value of 112.4 million patacas.

- *East Wing of the Venetian Casino in Macau*: The East Wing of the Venetian Resort project, where the casino and mall are located, was completed in 2007. The Group worked with other parties jointly as the general contractor on this project. The total contract value of this project was 101.0 million patacas.

- *Tanzania-Zambia Railway Project*: The Foreign Aid Office of the MOR, the predecessor of CCECC, the Group's subsidiary, organised, designed and constructed this project on behalf of the PRC Government. This project involved the construction of a 860-kilometres railway line, 320 bridges, 22 tunnels, two large locomotive plants, one training centre and approximately 376,000 sq.m. of buildings. This project was completed in 1975 and was the first foreign railway construction project supported by the PRC Government with a total contract value of RMB988.0 million.

- *Angolan Railway Re-construction Project*: The Angola Railway was the longest overseas railway constructed by the Group.

- *Addis Ababa-Djibouti Port Railway Project*: The Addis Ababa-Djibouti Port Railway is a significant landmark project of "Belt and Road Initiative". The project was completed in 2016 and was known as the "Tanzania-Zambia Railway in the new era". This was the first overseas cross-border railway adopting Chinese standards in whole industrial chain and the first electrified railway in Africa, with a length of 752.7 kilometers, and honoured 2016 China Railway Construction Cup Award in 2016, Sustainable Infrastructure Projects Outside China in 2017 and China Construction Engineering Luban Award (Overseas Project) in 2018-2019.

- *Mecca Light Rail Project*: It was the first light rail built by a Chinese company in the Middle East and the first light rail in Saudi Arabia.

- *Tajikistan Vahdat-Yavan Railway Project*: It was the first railway project of "Belt and Road Initiative". The length of the project is 48.65 kilometers with a total investment of U.S.$72.0 million.

- *Abuja Metropolitan Railway Project*: This is the first metropolitan railway project in the West Africa and completed in 2018.

- *Abuja-Kaduna Railway Project*: The Abuja-Kaduna Railway is the first modernised railway adopting Chinese standards in the overseas railway projects. The railway was completed in 2016.

Qualifications and Awards

As of the date hereof, the Group holds a broad range of construction qualifications through its subsidiaries. These qualifications enable the Group to undertake different types of construction projects including, but not limited to, railway, highway, metropolitan railway, water conservancy and hydropower facility, industrial and civil construction and municipal projects.

As at 31 December 2025, the Group had 109 extra grade qualifications for general contracting and was one of the enterprises with the highest qualification level, the most complete qualifications and the largest number of qualifications in the construction industry in China. In 2025, the Group obtained two new extra grade qualifications as general contractor for construction enterprises.

As at 31 December 2025, the Company had cumulatively received 90 National Prizes for Science and Technology, 167 Zhan Tianyou Civil Engineering Awards, 593 National High-Quality Projects Awards (including 52 Gold Awards), 184 Luban Prizes for China Construction and 6,499 engineering methods above provincial level.

Technology, Research and Development

With its advanced technologies and strong research and development capacities, the Group held 43,536 valid patents and received above-provincial level recognition of 6,499 for engineering methods as at 31 December 2025. In 2025, the Group was granted 6,732 new authorized patents, including 2,990 invention patents.

Business Models

The business models the Group adopts in its construction operations mainly include construction contracting, project management contracting, EPC, PPP and BOT.

- *Construction contracting*, by which the contractor performs the constructions work in accordance with the construction plan and design supplied by the customers and is generally only responsible for the construction work. The project owner is generally responsible for the procurement of raw materials and controls the project timetable.

- *Project management contracting*, by which the contractor performs the construction contract in accordance with the designs and timetable supplied by the designers and project owner. The contractor generally takes full responsibility for the project while it is allowed to subcontract part of the project to third parties. During the construction process, the project owner will supervise the construction work with the assistance of the designers or retain a supervisor to monitor the progress of the project. Project management contracting is usually adopted by middle- to large-scale construction enterprises.

- *Engineering, procurement and construction*, or EPC, by which the contractor undertakes all or part of the survey, design, procurement, construction and trial operations on a turnkey basis. An EPC contractor is responsible to the project owner for the quality, time progress and costs of the construction. EPC is generally adopted in the global construction market.

- *Public Private Partnership*, also known as PPP, by which the construction company cooperates with government entity to invest, construct and manage construction projects, mainly infrastructure construction projects, and assume risks and share profits together.

- *Build-Operate-Transfer*, also know as BOT, by which the construction company is normally granted concessions by the government to finance, design, construct, and operate large infrastructure projects for a specific period, typically several decades, and return the ownership of the projects to the government afterwards. It is a common form of PPP.

Subcontractors and Joint Ventures

In the domestic market, the Group generally submits tenders for projects on its own to act as the turnkey contractor, because as an integrated construction company, it is able to execute such projects with its own resources. In the overseas market, the Group submits tenders for overseas projects both on its own and as a member of a joint venture or a consortium. Where the Group acts as a member of a consortium or joint venture, it shares the scope of work and responsibilities with the other consortium members or joint venture partners as defined in the consortium or joint venture agreement, respectively. It normally bears joint and several liabilities to the project owner with other members of the consortium or joint venture, as provided for in the consortium or joint venture agreement. It generally undertakes construction projects as an independent contractor. In most of its joint construction projects, the Group enters into a consortium with other parties and decides each party's share of interest through negotiations based on the underlying agreement. Parties will share the revenue according to the share of interests and be jointly liable for the quality of the construction projects.

The Group acts as the turnkey contractor in most projects. When necessary, it subcontracts within the Group, employs temporary workers or outsources to independent third-party subcontractors to provide certain services that the Group is unable to or do not generally provide, or if it requires additional labour as a result of manpower shortages or where it is required to accelerate the rate of work on a project. Terms of the master contract are reflected in the Group's contracts with subcontractors. The Group and its subcontractors are jointly liable with regard to work safety on a subcontract. In selecting independent third-party subcontractors, the Group considers factors such as previous cooperation experience and its evaluation of their performance. It requires the same standards of work to be performed by subcontractors as it would expect of work done by its own subsidiaries. The Group has adopted a stringent evaluation mechanism to test and review the qualifications of those subcontractors it considers for retention. In order to ensure the quality of the subcontractor, the Group carries out measures including the implementation of stringent evaluations to monitor quality, performance and credit history of each subcontractor and apply its quality control requirements to monitor and supervise subcontractor through construction. In addition, pursuant to either its contracts or applicable laws, the Group is ultimately liable to project owners for the entire construction project and, as such, the Group maintains close supervision over its subcontractors' performance to ensure high-quality work. It maintains a list of preferred subcontractors that is regularly reviewed and updated. It also maintains long and close relationships with reliable subcontractors through training programs and technical cooperation arrangements.

Seasonality

The Group's construction business is subject to seasonality, mainly due to the vast territory of China and the different climate conditions of various regions in which the Group operates. It typically records higher revenues between July and December relative to revenues recorded between January and June. The Group attributes this seasonality to the effect that the winter months (generally from January to March) have on its construction operations in the northern part of China as well as the effect of the Chinese New Year during which some of its projects and construction are halted. As a result the Group may experience cost increases or delays in progress when conducting its business operations during particular seasons.

Raw Materials and Suppliers

The Group adopts three different methods of procurement for its construction operations, namely, procurement by owner, procurement controlled by owner and procurement by contractor, in accordance with different provisions under its construction contracts. The raw materials it uses for infrastructure construction include steel, cement, explosives, waterproofing materials, admixtures and track materials.

Certain raw materials, such as steel, explosives, wood and cement, are usually purchased by the project owners, and the Group compiles a list for the main raw materials required for its construction and then submits the list to the owner. After the project owner confirms such list, it will purchase the raw materials accordingly. Electricity and fuel are the main types of energy the Group uses. It obtains water supplies from local sources depending on the location of the Group's projects. During recent years, the Group has not encountered any significant shortages of electricity, fuel or water supply.

Procurement controlled by the owner means that the owner will first supervise the contractor in the organisation of the bidding and determination of the raw materials supplier, then the contractor will negotiate business terms and enter into a purchase agreement with the suppliers designated by the owner. Most of the Group's contracts are fixed-price contracts under which the Group is responsible for procuring raw materials. The procurement costs consist of part of its construction costs and the owner will not refund the payments already made for raw material procurement.

Currently, the Group's purchases of equipment and raw materials are all made through a centralised procurement system, which enables the Group to reduce its procurement costs, ensure consistent quality and supply of raw materials and increase its value. The Group launched the e-commerce platform in March 2011, which has integrated functions including the preparation and approval of procurement plans, suppliers evaluation, communications with suppliers and the overall management of the procurement process.

By entering into long-term purchase agreements or strategic alliances with suppliers, the Group believes that it has maintained stable relationships with its main suppliers of raw materials, which has enabled it to secure reliable supplies of raw materials used in infrastructure construction. It also believes that the raw materials it purchases are commodities generally available in the market. In addition, the Group conducts logistics and materials supply businesses and therefore anticipate that it will not be difficult to procure sufficient raw materials.

Marketing and Customer Relationships

The Group's major customers are PRC Government agencies at both the national and provincial and local levels as well as other state-owned enterprises, which the Group considers with good credit quality. The Group's largest customers of its domestic construction operations are primarily business entities set up and managed by central and local governments. The largest customers of its overseas construction operations are primarily governmental and semi-official entities.

With integrated capacity and strong reputation, the Group maintains close relationships with its customers. The Group consistently upholds concept of being customer-oriented when serving its customers. The Group values, abides by business ethics and the endeavors to provide customers with fair services. It rapport with its customers committed to building a long and good relationships, values the feedbacks from customers. It works closely with professional institutions and consulting companies to obtain significant project information and potential business opportunities. It also designates specific personnel to observe public bidding announcements of significant construction projects.

PLANNING, DESIGN AND CONSULTANCY

Overview

The Group is a leading provider of planning, design and consultancy services to the domestic infrastructure construction industry in terms of revenue. As at 30 June 2026, the Group's planning, design and consultancy operations mainly comprised four large Grade II design institutes with comprehensive Grade A qualifications for engineering design and 24 professional design institutes at or below Grade III, excluding the subsidiaries and branches of the four large design institutes. Its planning, design and consultancy business mainly focuses on railways, bridges, tunnels, metropolitan railways, freeways, public projects, industrial and civil buildings, airports and ports whilst keeping expanding into the emerging industries and areas, such as magnetic suspension transport, travel rail transits, intelligent transport, modern tramcar, urban utility tunnel, urban underground space, ecological environment and energy conservation and environmental protection. It had provided planning, design and consultancy services for major construction projects at the national and provincial levels as well as survey and design services for passenger railways. The Group is highly competitive in the survey, design and consultancy industry in China. According to ENR's "Global Top 150 Engineering Design Companies", the Group ranked 24th in 2026. The Group possesses comprehensive capabilities for the planning and design of railways, including those situated on high plateaus and in mountainous regions, permafrost zones and deserts, as well as sophisticated technologies for electrified railway lines, passenger railway lines, underwater construction, long tunnels, wireless train dispatching and scheduling systems and large interchange traffic construction. Its survey and design technologies are among the most advanced in China and are considered advanced by international standards. Its planning, design and consultancy operations extend throughout China and a number of overseas countries and regions. Major customers of

the Group's survey, design and consultancy operations include government agencies and business entities set up and managed by central and local governments, such as construction project companies.

The landmark projects undertaken by the Group include:

- Guangzhou-Zhanjiang High-Speed Railway, which was the project of the highest standard, in the longest length and with the largest investment in the history of Guangdong province. It connects the Guangdong-Hong Kong-Macao Greater Bay Area with Hainan Free Trade Port. It is also an important component of the high-speed railway system of the Beibu Gulf;

- all of Phase I and Phase II of the Qinghai-Tibet Railway Line, the highest plateau railway in the world;

- the Beijing-Kowloon Railway Line, which has received the largest amount of investment at the time for any railway project in China and is China's largest and longest railway line constructed in a single phase;

- the Zhengzhou Hub, the largest railway hub in Asia;

- the Dayaoshan Railway Tunnel, the longest electrified twin-track railway tunnel in China;

- the Guangzhou-Shenzhen Quasi High-Speed Railway Line, the first quasi high-speed railway in China;

- Lanzhou-Urumchi High-speed Railway, the longest one-off constructed high-speed railway in the world;

- Hefei-Fuzhou High-speed Railway, the designed speed of which is 300 kilometres per hour and the fourth double-track electrified railway in China;

- Guiyang-Guangzhou High-speed Railway, the first high-speed railway in China with a speed of 300 kilometres per hour in mountain area; and

- Xin Guan Jiao Tunnel, which was the longest tunnel in China in and the fifth longest tunnel in the world.

The Group has been analysing both domestic and international railway construction markets in depth, and has devoted significant resources to the research of railway repairs in times of war or military conflict, the design and construction of railways on plateaus and in areas prone to sandstorms, soft soil railway construction, large-scale mountain railway tunnel construction, the design and construction of cross-river and cross-sea railway bridges or underwater tunnels, subway construction, bridge design and construction, non-ballast tracks, and "four-electrification" equipped projects for passenger railways. It has also developed industry-leading technologies, equipment and construction methods. The major landmark projects undertaken by the Group in its railway survey, design and consultancy business in recent years include (i) Qinghai-Tibet Railway, which was the world's highest and longest plateau railway; (ii) Baoji-Chengdu Railway, which is China's first electrified railway; (iii) Baotou-Lanzhou Railway, which is China's first railway built in desert; (iv) Yichang-Wanzhou Railway, which is a mountain railway with the most complicated topography and geology and the most difficult construction process in China; (v) Shenzhen-Shantou High-speed Railway, which is an important part of the coastal high-speed railway corridor and an important infrastructure for promoting the Guangdong-Hong Kong-Macao Greater Bay Area; and (vi) Sichuan-Tibet Railway, which is a high-speed railway connecting Sichuan province and Tibet autonomous region. It is the second railway to Tibet in China.

Other Planning, Design and Consultancy Business

In addition to the railway sector, in recent years, the Group has also engaged in activities such as the design of highways, bridges, tunnels, municipal projects and metropolitan railways. In addition, it has conducted technology research and development in major municipalities and cities, such as Beijing, Shanghai, Xi'an, Shenzhen, Nanjing, Guangzhou, Harbin, Chengdu and Chongqing, to design subway systems and structural technologies, design and construct large-scale structures and railway stations, and to conduct survey and inspections. The Group was awarded the copper medal for the National Excellent Project Design in 2000 for its design services relating to the construction of the highway serving the Three-Gorges Hydropower Station on the Yangtze River. It was also awarded silver medals for the National Excellent Project Survey in the years 1996 and 2000 for the provision of survey services for the Tianjin New Harbor and 108 National Freeway construction projects, respectively. The landmark projects undertaken by the Group in its other survey, design and consultancy business include the Wuhan Yangtze River Tunnel, which has a total length of approximately 3,295 metres, with over 1,300 metres lying under the riverbed. It is located between the Wuhan Yangtze River Bridge and No. 2 Wuhan Yangtze River Bridge and is a two-way, four-lane tunnel. The Group was responsible for this entire project with a total contract value of RMB30.0 million. The two-way and four-lane Slender West Lake Tunnel is another Group's landmark project in its survey, design and construction business, with a total length of approximately 3.6 kilometres which required to use of a 14.93 metre shield for construction. The Group has also undertaken the survey and design of Ningbo-Zhoushan railway, which will end the absence of railway in Zhoushan islands after its completion. The Group is also planning to construct a cross-harbour high-speed railway tunnel, which is expected to become the first cross-harbour high-speed railway tunnel in China as well as the longest cross-harbour high-speed railway tunnel in the world.

Qualifications

The Group possesses certificates issued by relevant governmental authorities, which demonstrate its qualifications for construction surveying, construction design, construction assessment, design and consultancy, engineering surveying, geological hazards prevention evaluation, designing supported by intelligent design software, and environmental impact assessment and surveying. The Group makes significant efforts on quality control, environmental protection and safety to ensure compliance with the requirements for the certificates it holds and continues its research and development of technology to maintain its certificates and relevant qualifications. In addition, the China Railway First Survey and Design Institute Group Co., Ltd. and China Railway SIYUAN Survey and Design Group Co., Ltd. are fellow members of the International Federation of Consulting Engineers.

Awards

The Group possesses comprehensive technologies for the survey and design of railways, including those situated on high plateaus and in mountainous regions, permafrost zones and deserts, as well as sophisticated technologies for electrified railway lines, passenger railway lines, underwater construction, long tunnels, wireless train dispatching and scheduling systems and large interchange traffic construction. Its survey and design technologies are among the most advanced in China and are considered advanced by international standards. From 1982 to 30 June 2026, the Group received multiple international awards, national awards and provincial awards for its planning, design and consultancy works, including:

- The "*Special Invention Award and Gold Medal*" in 2025 and 2026 at the 50th and 51st Geneva International Exhibition of Inventions;

- The "*FIDIC Outstanding Award*" in 2025 by International Federation of Consulting Engineers for the Guangzhou Baiyun Station Integrated Transport Hub project;

- The "*FIDIC Excellence Award*" in 2024 by International Federation of Consulting Engineers for the Quanzhou Bay Cross-Sea Bridge project;

- The "*George S. Richardson Medal*" in 2020 by International Bridge Conference for Yangsigang Yangtze River Bridge in Wuhan;

- The "*Outstanding Prize for Engineering Project*" in 2018 by the International Federation of Consulting Engineers for Hefei-Fuzhou High-speed Railway;

- The "*Excellence Prize for Engineering Projects*" in 2018 by the International Federation of Consulting Engineers for the West Qinling Tunnel of Lanzhou-Chongqing Railway;

- The "*Excellence Prize for Engineering Projects*" in 2017 by the International Federation of Consulting Engineers for the Slender West Lake Tunnel in Yangzhou;

- The "*The First Prize of National Science and Technology Progress*" in 2004 and 2012 by the National Science and Technology Award Committee, "*Gold Prize for National Geological Survey*" in 2005 and "*Gold Prize for National Excellent Projects*" in 2006 for design work on the Qinling Tunnel of Xi'an-Ankang Railway Line;

- The "*Gold Prize for National Design Excellence*" in 2000 for the design of the Guangzhou-Shenzhen Quasi High-Speed Railway Line;

- The "*Gold Prize for National Design Excellence*" in 1999 for general design work for the Beijing-Kowloon Railway Line;

- The "*Gold Prize for National Design Excellence*" in 1993, received for the Xuzhou Interchange Terminal Extension and related construction;

- The "*Special Prize for the Advancement of Science and Technology of China*" in 1992 for the Dayaoshan railway tunnel; and

- The "*Special Prize for the Advancement of Science and Technology of China*" in 1987 for sand-controlling construction of the Baotou-Lanzhou Railway project.

The awards the Group received are generally reviewed and granted annually or every two years and are a testimony of the Group's well-established brand name.

Design, Research and Development

As at 31 December 2025, the Group had two members of the Chinese Academy of Engineering, 10 National Survey and Design Masters, 11 national candidates of the "Bai Qian Wan Talents Project" and 310 experts who are recipients of special subsidies granted by the State Council, all of whom possess strong design, research and development capabilities and the capacity to conduct research and development of new construction technologies and equipment according to the needs of the Group's customers.

The core competencies of the Group's primary research institutes are as follows:

- *China Railway First Survey and Design Institute Group Co., Ltd.*: design of large-scale mountain railway tunnels, as well as plateau and desert railways;

- *China Railway SIYUAN Survey and Design Group Co., Ltd.*: design of railways on soft soils and other special terrains, as well as the design of cross-river and cross-sea tunnels and special bridges. It has been exploring the provision of design and consultancy services for the construction of highways, metropolitan railways, inter-city passenger lines and municipal projects;

- *China Railway Shanghai Design Institute Group Co., Ltd.*: design of metropolitan railways; and

- *China Railway Fifth Survey and Design Institute Group Co., Ltd.*: research, development and production of equipment, construction machinery, tools and related technologies for railway and metropolitan railway construction projects and the research and development of other mobile machinery for bridge construction.

The Group believes that its design teams' constant technological improvements and innovative activities in various projects will enable it to integrate its survey, design and consultancy operations with other business operations, thereby allowing the Group to provide its customers with optimised services.

Customers

Major customers of the Group's survey, design and consultancy operations include government agencies and business entities set up and managed by central and local governments.

MANUFACTURING

Overview

The Group is a leading domestic and internationally advanced provider of materials and professional equipment manufacturing services integrating R&D, manufacturing, sales and services. After years of development, manufacturing operations cultivate three core businesses: equipment manufacturing, material production and precast concrete production. The business scope covers the manufacture of large railway track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts. Leveraging its whole chain advantage, the Group actively promotes operating synergy and industry synergy and builds an integrated operation mode that incorporates multiple industries, so as to improve the competitiveness of the Company and the brand influence, and enhance overall profitability. In the meantime, it improves the weak links, and vigorously develops emerging businesses like new energy equipment, high-speed railroad maintenance equipment, high-end smart agricultural machinery, plateau space station, and new materials and the business of equipment maintenance, leasing and remanufacturing, to foster the "second growth curve."

The Group designs, researches, develops, manufactures and maintains large rail track maintenance machinery, as well as maintenance and construction components for the track system through its subsidiaries, including China Railway Construction Heavy Industry Co., Ltd. and CRCC High-Tech Equipment Corporation Limited. China Railway Construction Heavy Industry Co., Ltd. focuses on the manufacture of railway switches and rail fasteners for high-speed railways and commenced production in early 2008. It was appointed by the MOR as one of the only two designated manufacturers of high-speed railway switches. It has the most advanced and fully equipped shield/TBM professional production line with largest production capacity in China and it has self-developed high-end shield/TBM with its own intellectual property rights. Composite EPB shield is one of the key products of China Railway Construction Heavy Industry Co., Ltd. with the largest market share among shield market. In addition, it has world leading self-developed mining tunnel machinery and the most advanced production lines for turnouts, elastic fasteners and brake shoes, with exports to the United States and Canada. The Group expects that the manufacture of high-speed railway track components will become a substantial part of its manufacturing operations. On 22 June 2021, the shares of China Railway Construction Heavy Industry Co., Ltd. were listed on the Science and Technology Innovation Board to the Shanghai Stock Exchange.

On 16 Dec 2015, CRCC High-Tech Equipment Corporation Limited was listed on the Stock Exchange of Hong Kong Limited. It is Asia's largest and the world's second largest manufacturer of large-scale road maintenance machinery and manufactured a series of large products in line with China's railway market, such as cleaning and screening machines, tamping, ballast matching machines, and stabilizers, which has changed the history of manual maintenance of railways in China.

In manufacturing business segment, there are three main products line, i.e. equipment manufacturing, material production and precast concrete production. In particular, the Group manufactures large rail track maintenance machinery, underground construction equipment, rail construction equipment, concrete construction equipment, lifting equipment, bridge construction equipment, compacting equipment, concrete products, bridge steel structures, turnout and spring bar fastener, and electric contact wire and parts.

The Group independently develops and manufactures large rail track maintenance machinery, including tamping machines, continuous tamping machines, track switch tamping machines, full section track bed ballast processors, switch grinding machines, dynamic stabilisers, ballast distributing and trimming machines, turnout laying and changing machines and bulk material automatic loading machines. The Group also develops and manufactures maintenance machinery products for passenger railways, including track grinder cars and railway shunting equipment. In 2017, the demonstration project of "Key Technology Research and Demonstration of Long-distance Inclined Shaft in Shield Construction Coal Mine" successfully passed the acceptance test, which was the first inclined shaft in coal mine adopting shield construction in China.

The Group is one of the largest manufacturers of large rail track maintenance machinery In 2025, China Railway Construction Heavy Industry Corporation Limited, a subsidiary of the Group, was selected as an Excellence-level Smart Factory by the Ministry of Industry and Information Technology. The Group offers intelligent and integrated solutions to the construction of tunnels which serve the projects of railways, urban rail transit and highway construction, municipal and utility construction, water conservancy facilities and power project construction as well as mine construction. The Group has also developed a green and intelligent production line for ultra-large diameter shield tunnel segments, further enhancing its intelligent manufacturing capabilities. The Group is one of the largest advanced shield machine manufacturer with a comprehensive product line in China in terms of production capacity, and also the only mine inclined-shaft shield machine producer in China. The Group's railway track equipment related products, such as turnout products, fastener and clip products and brake pad and shoe products have been widely applied in national railway construction, including high speed railway, major railway and urban rail transit.

Raw Materials and Energy Suppliers

The Group purchases raw materials for its manufacturing operations through a purchase plan using the bidding method. The primary raw materials it purchases include steel, cement, electro-mechanical equipment and non-ferrous metals. Electricity, the main source of energy used in the manufacturing operations, is primarily purchased from local power grids where the Group's facilities are located.

Technology, Research and Development

The Group is the leader in the research and development as well as the production of large rail track maintenance machinery in China. It imports machinery manufacturing technologies and conducts further research and development activities on such technologies to meet domestic production requirements for large rail track maintenance machinery, thereby improving its own research and development capabilities.

Since 1988, CRCC High-Tech Equipment Corporation Limited has introduced technologies from P&T Austria used in the production of large rail track maintenance machinery. The Group has also successfully developed its own products to meet the specific needs of the domestic market by research and modification of these imported technologies. The Group was able to assist the PRC Government in increasing the maximum train speeds of the domestic railway system on numerous occasions.

CRCC High-Tech Equipment Corporation Limited has been named High and New Technology Enterprise of Yunnan Province, Outstanding Enterprise in Employees' Economic Technology Innovation in Yunnan Province, Advanced Enterprise for Quality and Efficiency in Yunnan Province, and Top 30 Well-known Brands in Yunnan Province, because of its accomplishments.

The Group has an increasing number of products which are designed with independent intellectual property rights. Several underground engineering products of the Group has been industrial breakthrough in China, including major-diameter earth pressure balance shield/TBM dual-mode excavator, hard rock tunnel boring machine with major diameter and full face and hard rock tunnel boring machine with double shields. Several large railway track maintenance machinery of the Group has already achieved world leading position, including narrow-gauge tamping machines and narrow-gauge ballasting machines and are exported to overseas markets. Technologies of underground and underwater engineering construction, magnetic suspension engineering construction and Electrical & Mechanical system integration have also achieved a leading level in the industry. The Group owns a world-leading excavating machine manufacturing base with an annual output of 200 excavating machines, accounting for half of the domestic market. In particular, the TBM takes up more than 85.00 per cent. of the domestic market and provides domestic underground construction projects with intelligent and integrated solutions and high-end equipment. Many achievements in this field are unprecedented in China.

Sales, Marketing and Customers

The Group receives purchase orders for large rail track maintenance machinery primarily through the government channel and private channels. The government channel involves the assignment of purchase orders to us by the MOR through the bidding process, following an annual/periodic review of state-owned railway operators' demands. Purchase orders received through the government channel depend largely on prevailing government policies. However, the order is relatively stable once it is placed. Purchase orders from private channels are based on the customers' demands. Competition for orders through private channels is more intense than through the government channel. The Group acquires such orders by way of price comparing and bidding.

Major customers of the Group's manufacturing operations include large enterprises, such as state-owned railway operators, construction companies, private railway companies, local railway companies, subway companies and mining companies with railway facilities.

REAL ESTATE DEVELOPMENT

The real estate business is one of the principal businesses of the Company as approved by SASAC. The Group's real estate development business was previously conducted on a sporadic basis by affiliated construction group companies. On 20 April 2007, the Group established China Railway Real Estate Group Co., Ltd., which is primarily engaged in the development of residential properties as a main business as well as the development of commercial properties, such as shopping malls and office buildings. As one of the 16 enterprises directly under the central government engaging in real estate development as one of its principal businesses, the Group prioritises its real-estate development business in residential development with support from commercial facilities as a supplement. The Group principally carries out real estate development in Yangtze River Delta, Pearl River Delta, Beijing-Tianjin-Hebei, Chengdu-Chongqing, the middle reaches of the Yangtze River, Guangdong, Fujian and Zhejiang coastal city clusters.

The Group adopts the business model of "giving priority to residential development supplemented by other industries" for real estate business, and resolutely establishes the position of "housing is for living in, not for speculation", actively participated in government development and construction of government-subsidised housing and buyback housing, while strengthening the traditional residential housing development business, and further explored emerging businesses such as future community, TOD, fully exerted the Company's advantages in industrial chain, strengthened resource integration, and continuously enhanced the development quality of real estate development business. In 2025, the real estate sector continued to strengthen marketing and destocking. At the investment end, it further strengthened risk control, implemented precise investments and prudently and steadily accumulated high-quality land reserves. In 2025, real estate segment recorded total sales amount of RMB75.642 billion and sales floor area of 5,577,432 sq.m.

According to the relevant PRC laws and regulations, real estate developers must obtain qualifications in order to carry out real estate development businesses in the PRC. As at 31 December 2025, the Group and its affiliated construction group companies conducting real estate development operations possessed valid qualifications and were competent to conduct real estate development operations. The Group maintains such qualifications through continuing compliance with relevant regulatory requirements or timely renewal for such qualifications.

MATERIALS, LOGISTICS AND OTHER BUSINESSES

The Group's businesses also include logistics, warehousing and distribution, material trading, spot trading and international trading, financial insurance, concession, mining resources development and railway operation and management.

Logistics

The Group's logistics business is mainly operated by China Railway Material Group Co., Ltd., or CRCC Material, a subsidiary of the Group specialising in logistics operations. CRCC Material has achieved rapid development in its logistics operations and has accumulated extensive experience in this area, as the first enterprise in China to enter into the 350 kilometers per hour 100-meter rail market, the largest railway engineering logistics services provider around the world and the second largest supplier of railway supplies in China. In 2023, 2024 and 2025, CRCC material ranked 10th, 8th and 14th in Top 50 Logistic Enterprises in China, respectively. In the first half of 2026, the total volume of social logistics nationwide reached RMB181.1 trillion, representing a year-on-year increase of 5.1%, 0.4 percentage points higher than the GDP growth rate for the same period. The total volume of industrial product logistics rose by 5.4% year-on-year, among which high-technology manufacturing and digital product manufacturing grew by 13.3% and 12.3% respectively.

The Group also engages in the trading of construction materials, such as steel rail, which enhances its ability to purchase and supply key materials. It has established strategic relationships with China National Petroleum Corporation, China Petroleum and Chemical Corporation and several major steel companies in China, and expanded the geographical coverage of its operations. The Group has been certified by the relevant PRC Government authorities to wholesale oil products within the Group, thereby enabling it to reduce its overall purchasing costs for oil products. The logistics business may lower the material procurement cost of engineering contracting, thereby enhancing the profit margin and competitiveness. Moreover, the substantial development of the rail and urban rail industry may facilitate development to the prospects logistics business.

Investment and Operation

The Group has established a full value chain business model of "design-investment-construction-operation".

Emerging Industries

The Group actively explores new business areas such as new rail transit, building industrialisation, new energy, water resources, ecological water environmental management, and waste disposal, and has also undertaken the EPC and operation and maintenance services for four photovoltaic power stations in Gorj County, Romania.

Financial Services

The Group also engages in financial services including fund settlement, deposits, comprehensive credit facility management, inter-bank deposits, loans, financial leasing and inter-bank lending.

BACKLOG

Backlog represents the Group's estimate of the contract value of work that remains to be completed as at a certain date. The contract value of a project represents the amount that the Group expects to receive under the terms of the contract assuming the contract is performed in accordance with its terms. Backlog is not a measure defined by generally accepted accounting principles. As at the end of 2025, the Group had a total backlog of RMB4,506.0 billion.

Backlog may not be indicative of the Group's future operating results. Many contracts do not require the Group's customers to purchase a minimum amount of services and are subject to termination by the customer on short notice. The contract value of such projects of the Group may be recorded in its backlog, and the scope of work with respect to contracts reflected in its backlog may at times be adjusted. In addition, poor project selection or difficulties in contract performance may lead to inaccuracies with respect to the estimated income from uncompleted contracts. Furthermore, the termination or modification of any one or more sizeable contracts or the addition of other contracts may have a substantial and immediate effect on the dollar amount to the Group's backlog and the revenue and profits it may earn from such contracts, and may have a material adverse effect on the Group's financial condition and profitability.

RESEARCH AND DEVELOPMENT

The Group places significant importance on the development of its research and development capabilities. In addition to its professional research and development institutes, such as its affiliate design institutes or companies, the Group's headquarters has technology research centres and its construction group companies have technology centres for research and development work. The Company has also established the relevant rules and guidelines to regulate its technology research centres, technology research investments, technology research projects, and technology research results evaluation and rewarding system. As at 31 December 2025, the Group had two member of the Chinese Academy of Engineering, 10 National Survey and Design Masters, 11 national candidates of the "Bai Qian Wan Talents Project" and 310 experts who are recipients of special subsidies granted by the State Council.

Showcasing its technological leadership, the Group spearheaded R&D projects recognized as Outstanding Patent Cases for Invention in Belt and Road countries and regions and selected as National Model Cases for Patent Industrialization by the China National Intellectual Property Administration. The Group also achieved a breakthrough with its 8-meter-class main bearing, which passed rigorous installation and application validation by an academician-led expert panel.

The Group undertakes research projects sponsored by government agencies at the provincial and ministerial levels. It has received 90 National Prizes for Science and Technology, 167 Zhan Tianyou Civil Engineering Awards, 593 National High-Quality Projects Awards (including 52 Gold Awards), 184 Luban

Prizes for China Construction and 6,499 engineering methods above provincial level. The Group has further strengthened its scientific research efforts, leading one "Major Science and Technology Innovation 2030 Project" and having 12 national key R&D projects in 2025, while obtaining 6,732 new authorized patents (including 2,990 invention patents). The Group won six awards at the 25th China Patent Awards in 2025, comprising one Gold Award, one Silver Award and four Excellence Awards, marking a new breakthrough in scientific and technological awards. The Group is accelerating the formation of a digital and intelligent development pattern and is fully promoting the construction of the project management system for engineering projects.

It will also optimise its investment, evaluation, incentive, training, and performance review systems and cultivate the innovative skills of its managerial, research and development, and technical personnel.

The Group will continue to strengthen scientific and technological innovation through the system of "1+9+N" (including China Railway Construction Science and Technology Research Institute, nine industrial technology research institute and the joint efforts through research platforms) and to promote the technicalisation of science, the productization of technology, and the industrialization of products. The Group has completed the local deployment of DeepSeek, launched the "Institutional Large Model" system, and promoted its use throughout the entire system. It has also initiated the "2+4+7" system construction, striving to build a benchmark for CRCC-characteristic lighthouse factories. The Group has also developed and/or participated the following R&D projects in recent years:

- Steel Backbone: the world's first kilometer-class full-face hard rock shaft boring machine, which was selected as one of the top ten national heavy equipment of central enterprises in 2025.

- Jianghai: the largest-diameter domestically developed shield tunnelling machine in China, which was selected as one of the top ten national heavy equipment of central enterprises in 2024;

- Digital Life System: a 2024 World Intelligence Expo high-tech system, creating digital proto-twins in hostile environment by modelling and simulation, solving sparse and remote malfunctions in a concentrating manner.

- Inspection Robot for Precast Girder: a combined inspection system consisting of laser radar, AI monitor, and six-axis robotic arm, capable of identifying more than 10 parameters of concrete structure.

- Sixth-Generation Intelligent Shield System: an intelligent system, capable of information collecting, monitoring, administrating and analysing, with strong alerting functions.

- Intelligent Girder Field Production-and-Management System: a coordinating and managing system, capable of organizing large machines, supplies and human resources, utilizing BIM, IoT and smart terminals, achieving better quality and higher efficiency.

The total expenditure on research and development of the Group for the year ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026 was RMB26,725.5 million, RMB25,713.3 million, RMB23,596.0 million and RMB6,173.0 million, respectively.

QUALITY CONTROL AND MANAGEMENT

The Group implements a quality management system. It has established a quality control system by establishing procedural management systems for sales, production, after-sales services, inspection, resource management, including the management of the invitation and submission of bids, contract management, materials procurement management, and production plan management.

The Group has established a sound quality management structure and system, as well as a quality control system developed in accordance with national standards including GB/T19001-2016, ISO 9001:2015 and

GB/T50430-2017. In 2025, the Group passed the supervision review of China Certification Centre for certificate renewal. The registration and authentication qualification of the quality management systems of the Group will continue to be maintained with the number of certificates being 02121Q10824R7M and U006621Q0239R7M.

OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

The Group's operations generate air pollution, noise, hazardous material, polluted water and solid wastes, and it is subject to the relevant rules and regulations on occupational health, safety and environmental protection. According to the PRC counsel to the Group, Beijing DeHeng Law Offices, the Group has not caused any material environmental pollution incident as a result of breaching the environmental law, except for such incident or breach that will not, individually or in the aggregate, result in a material adverse effect on the Group's operation.

The Group published and implemented a health, safety and environmental management system on 29 April 2006. On 7 July 2006, it became one of the first state-owned large-scale enterprises that received ISO 9001:2000 certification for its quality management system, ISO 14001:2004 certification for its environmental management system, and GB/T28001-2001 certification for its occupational health and safety management system. In addition, the Group has a Safety and Quality Management Department and an Environmental Protection Department located at its head office with offices at its principal operating affiliated companies, which are responsible for: (i) supervising and examining the safety and quality control measures of construction companies and construction management companies; (ii) regulating labour, hygiene and safety conditions; and (iii) monitoring compliance with statutory environmental protection regulations relating to air, water, noise and solid waste pollution. The Group imposes safety and anti-pollution measures, as well as regular internal safety and environmental inspections, at all stages of its operations in order to minimise the possibility of work-related accidents and injuries. It also monitors the safety and environmental protection aspects of its subcontractors' operations. As the Group believes that safe practices are essential to ensure employee safety, it conducts regular safety training sessions and provides safety education to employees. It has established safety standards in connection with matters such as purchasing, installation and operation of new equipment, construction of new facilities and renovation of existing facilities. All of the Group's operating subsidiaries have obtained and maintained a safe production permit issued by relevant PRC local authorities. With regard to its overseas operations, the Group is committed to strict compliance with applicable local laws on occupational health, safety and environmental protection. Its ability to comply with local laws is an important consideration before the Group decides to commence operations in foreign jurisdictions. Although the Group has stringent safety measures in place, its construction operations involve inherent occupational risks. There is no guarantee that any safety-related incidents will not have an adverse impact on its reputation, corporate image and results of operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group attaches great importance to ESG management, proactively integrating ESG into the Group's development strategy, major decisions, and production and operation, and forming a well-defined governance structure to the continuous improvement of corporate governance.

Over the years, the Group has been recognized by its achievements in ESG and won more than a dozen of awards, in particular:

– ESG Best Practice Cases of Listed Companies in China

– Securities Times China's Top 100 Listed Companies in terms of ESG

– Best Sustainability Information Disclosure Award

– Grade A in the annual evaluation of information disclosure by Shanghai Stock Exchange

– The 14th Pegasus Award for Investor Relations of Listed Companies in China

– Special Contribution to Corporate Governance Award at the 18th Golden Round Table Award for Boards of Directors of Listed Companies in China

The Group aims to put emphasis on optimization of corporate governance, reinforcement of disclosure of inside information and other information, enhancement of investor relationship management and improvement of protection of shareholders' rights.

The Group also actively participate charity work to serve communities domestically and overseas. In 2025, the Group promoted rural revitalisation through its "1+2+43" work mode and implemented the "Hundred Support Projects" and the "Heartwarming Projects", with investment in rural revitalisation amounting to RMB76.4 million. In the first half of 2026, the Group carried out targeted assistance work in Wanquan District and Shangyi County of Zhangjiakou City, Hebei Province, and Long'an County, Guangxi, and invested a total of RMB22.4 million in non-reimbursable assistance funds, including RMB7.7 million to Wanquan District, RMB8.7 million to Shangyi County and RMB6.0 million to Long'an County. The Group also continued to deepen the "Hundred Support Projects" and "Heartwarming Projects" in assisted districts and counties, and established a full-chain assistance mechanism covering demand-driven orientation, project-led implementation, funding support and institutional safeguards.

On environmental end, in 2025, the Company invested approximately RMB3.9 billion in environmental protection. The Group actively responds to national strategies by aligning with major ecological and environmental protection initiatives and regional ecological goals. It is vigorously developing its environmental governance business, focusing on key areas such as desertification control, soil remediation, mine rehabilitation, and wastewater treatment. The Group engages in project investment, construction, and operation to drive green upgrades in infrastructure and build an industrial ecosystem, supporting the green environmental protection industry to become a new growth driver for the Company. The green environmental business model primarily generates revenue through engineering contracting for green projects. The Xiongan Pilot Free Trade Zone Communication and Exhibition Center, which was built by the Group, is one of the first zero-carbon demonstration buildings in the Xiongan District. Besides, the China Railway Construction Group Electromechanical Installation Co., Ltd. was honored with the "2023 Hainan Energy Saving and Carbon Reduction Contribution Award" and China Railway 20th Bureau Group Co., Ltd. was honored with "Most Growth Enterprise" and "Innovative Enterprise" in the field of carbon neutrality. Moreover, in 2023, the Company revised its Measures for the Supervision and Administration of Energy Conservation and Ecological Environmental Protection, and adopted energy conservation, emission reduction and environmental protection indicators as KPI for the performance evaluation of the directors in the Group. In 2025, there were no environmental emergencies throughout the year.

INTELLECTUAL PROPERTY RIGHTS

The Group relies on patents, copyrights, trademarks and contractual rights to protect its intellectual property rights. The intellectual property rights are critical to the Group's businesses. As at 31 December 2025, the Group held 43,536 patents and received above-provincial level recognition for 6,499 engineering methods. The Group continuously submit patent applications for products and technologies that it has developed. It also possesses unregistered trade secrets, technologies, know-hows, processes and other intellectual property rights. As at 31 December 2025, the Group did not suffer any material infringement of intellectual property by other parties and, to the best of its knowledge, has not violated

any intellectual property rights of any third parties nor was the Company a party to any litigation brought by any third party due to infringement of intellectual property rights.

EMPLOYEES

As at 31 December 2025, the Group had 250,306 employees. The Group has not experienced any material strikes or other disruptions due to labour disputes.

The Group linked the employees' remuneration with their performance, as well as the Group's annual budget. The remuneration of the employees includes wages, performance bonus and allowance. The employees of the Company are also entitled to pension, medical, unemployment, work injury, maternity insurance and housing funds as well as other fringe benefits.

INSURANCE

Pursuant to the general practice in the industry, the Group is required to obtain fire, liability or other property insurance for the property, equipment or inventory in relation to its major businesses, and is required to obtain construction project all-risk insurance for most of the construction projects it undertakes. Such policies generally extend for the entire contract period, including the maintenance period following completion of the project. The Group also purchases pension insurance, medical insurance, unemployment insurance, workplace injury insurance and maternity insurance for its employees and personal injury insurance for its overseas and onsite workers pursuant to the relevant PRC laws and regulations.

The Group carries third-party liability insurances to cover claims in respect of personal injury or property or environmental damage arising from accidents on its property or relating to the Group's operations, and it carries key-man life insurances on its key employees. Such insurances are not mandatory according to the laws and regulations of the PRC but would be able to enhance the Group's competitiveness against its competitors in the PRC. Under the applicable PRC laws and regulations, the premiums for pension insurance and unemployment insurance are contributed in strict compliance with the PRC national, provincial and municipal regulations. The contribution rates for medical insurance, maternity insurance and housing funds are subject to local regulations.

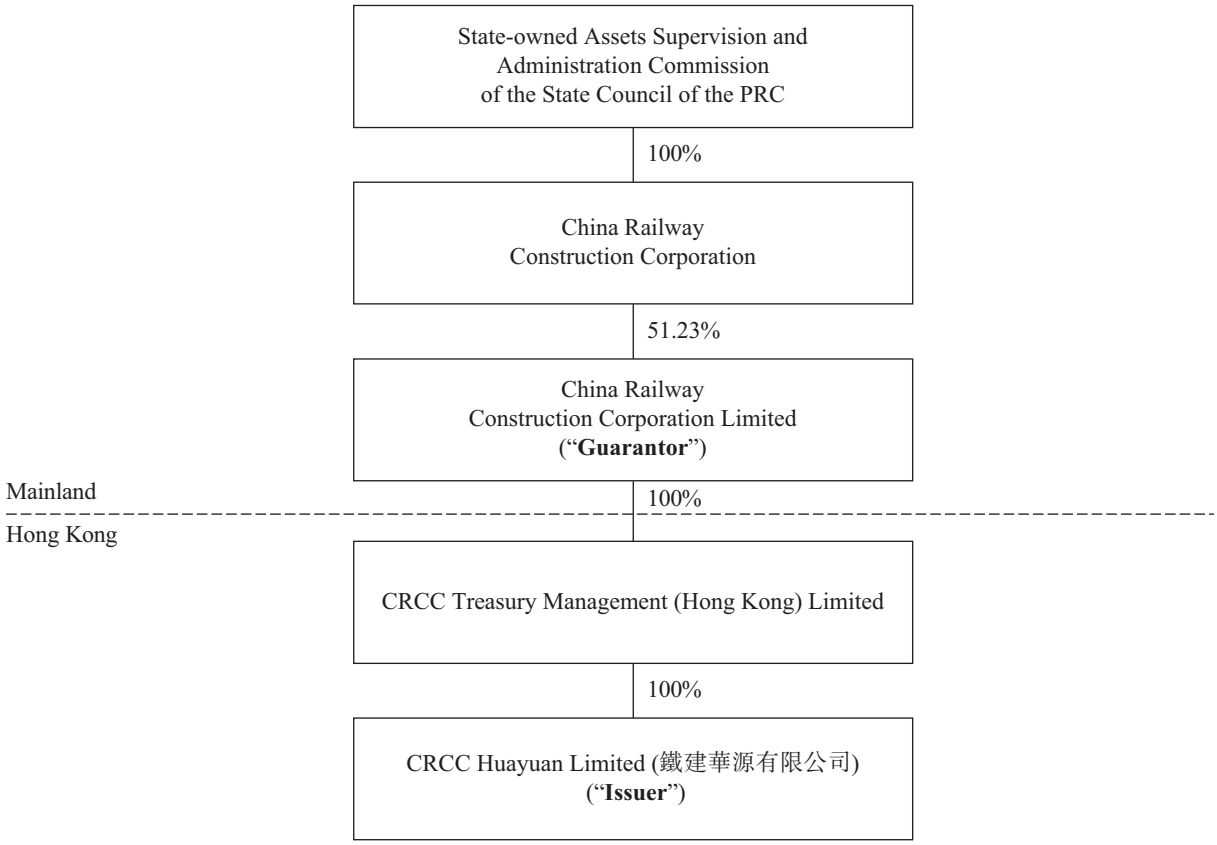
LEGAL PROCEEDINGS

From time to time, the Group has been involved in legal proceedings or other disputes that arise from the ordinary course of its business, which primarily involve disputes with contractors and employees. The Group has not incurred significant legal costs and expenses in connection with these legal proceedings. The Directors are not aware of any material legal proceedings, claims or disputes currently existing or pending against the Group that may have a material adverse effect on the Group's business, financial condition or results of operations.

CONTROLLING SHAREHOLDER OF THE COMPANY

As at the date of this Offering Circular, as far as known to the Directors, the Controlling Shareholder held approximately 51.23 per cent. of the Company's issued share capital and is the controlling shareholder of the Company. The Controlling Shareholder is a state-owned enterprise wholly-owned by the SASAC and was established on 28 August 1990 with its headquarters in Beijing. In November 2007, the Controlling Shareholder carried out a corporate reorganization by injecting its core businesses and related assets along with employees into the Company and established the Company as the sole promoter.

SASAC is a ministry-level organization directly under the management of the State Council, and was set up in accordance with the State Council Institutional Reform Plan and the Notice on the Institutional Establishment of the State Council passed at the First Session of the 10th National People's Congress. Authorized by the State Council, SASAC performs its duties as an investor on behalf of the PRC government. The scope of supervision of SASAC extends to the state-owned assets of enterprises under the supervision of the PRC central government (excluding financial enterprises). SASAC owns 100.00 per cent. of the equity interest in the Controlling Shareholder.



As at the date of this Offering Circular, save for the Controlling Shareholder and HKSCC Nominees Limited (which holds the shares on behalf of its various clients), there were no other shareholders of the Company holding more than 10.00 per cent. of the Company's total issued shares.

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

The Directors as at the date of this Offering Circular are as follows:

Name	Position
DAI Hegen (戴和根)	Chairman, Executive Director and secretary of the party committee
PEI Minshan (裴岷山)	President, Executive Director and deputy secretary of the party committee
CHEN Zhiming (陳志明)	Executive Director
GAO Lieyang (郜烈陽)	Non-executive Director
MA Chuanjing (馬傳景)	Independent Non-executive Director
XIE Guoguang (解國光)	Independent Non-executive Director
TSIN Wai Lun Kenneth (錢偉倫)	Independent Non-executive Director
WANG Jun (王俊)	Independent Non-executive Director
ZHU Lin (朱霖)	Employee Director

The biographies of the Directors are set out below.

Mr. DAI Hegen (戴和根), born in January 1966, a Chinese with no right of abode overseas, postgraduate degree, professor-level senior economist, member of the 14th National Committee of the Chinese People's Political Consultative Conference, currently serves as the chairman of the board and party committee secretary of the Company, and concurrently holds the positions of Chairman of the Board and Party Committee Secretary of China Railway Construction Corporation. Mr. DAI served as the trainee, technician, director of repair shop, deputy director and director of machinery and equipment department, manager of Southeast Engineering Company, deputy director and acting director of machinery and equipment department, director of mechanical engineering department at the Third Engineering Division of the Fourth Engineering Bureau, Ministry of Railways; general manager, deputy chairman, and deputy secretary of the Party Committee of the Seventh Engineering Co., Ltd. of CTCE Group; deputy general manager, deputy chairman, general manager, deputy chairman, general manager, and deputy secretary of the Party Committee of CTCE Group; deputy general manager of China Railway Engineering Corporation; member of the Standing Committee of the Party Committee of China Railway Engineering Corporation, vice president and member of the Standing Committee of the Party Committee of China Railway Group Limited; secretary of the Party Committee and director of China Railway Engineering Corporation, executive director, president, and deputy secretary of the Party Committee of China Railway Group Limited; general manager and secretary of the Party Committee of China Railway Materials Group Co.,Ltd., executive director, president, and deputy secretary of the Party Committee of China Railway Group Limited; general manager and secretary of the Party Committee of China Railway Materials Group Co.,Ltd., chairman and secretary of the Party Committee of China Railway Materials Corporation; secretary of the party committee and deputy chairman of Xinxing Cathay International Group Co., Ltd.; chairman and secretary of the party committee of China National Chemical Engineering Group Corporation, chairman and secretary of the party committee of China National Chemical Engineering Co., Ltd. Since December 2023, he served as secretary of the party committee and chairman of China Railway Construction Corporation, and secretary of the party committee of China Railway Construction Corporation Limited. Since January 2024, he served as secretary of the party committee and chairman of China Railway Construction Co., Ltd., and secretary of the party committee and chairman of China Railway Construction Corporation Limited.

Mr. PEI Minshan (裴岷山), born in January 1971, a Chinese with no right of abode overseas, is currently the president, deputy secretary of the party committee and executive director of the Company, and concurrently serves as the general manager, deputy secretary of the party committee and director of China Railway Construction Corporation. He previously served as the director of the production, operation and management department, assistant general manager, deputy general manager, general manager, deputy secretary of the party committee and director, chairman, general manager and deputy secretary of the party committee, secretary of the party committee, chairman and general manager, and secretary of the party committee and chairman of CCCC Highway Consultants Co., Ltd. In October 2019, he was appointed as a member of the standing committee of the party committee and vice president of China Communications Construction Company Limited. In August 2021, he was appointed as a member of the standing committee of the party committee and deputy general manager of China Communications Construction Group Co., Ltd. In February 2026, he was appointed as the general manager, deputy secretary of the party committee and director of China Railway Construction Corporation, and the president and deputy secretary of the party committee of China Railway Construction Corporation Limited. Mr. PEI graduated from Southeast University majoring in Highway and Urban Road Engineering with a bachelor of engineering degree, and subsequently obtained a postgraduate education and a doctor of engineering degree majoring in energy and environment from Tongji University. He is a professor-level senior engineer.

Mr. CHEN Zhiming (陳志明), born in November 1970, a Chinese with no right of abode overseas, is currently the executive director, deputy secretary of the party committee and chairman of the labour union of the Company, and concurrently serves as the deputy secretary of the party committee, employee director and chairman of the labour union of China Railway Construction Corporation. He previously served as the deputy general manager, general manager and deputy secretary of the party committee of China Railway 11th Bureau Group Co., Ltd., and the secretary of the party committee and chairman of China Railway 11th Bureau Group Co., Ltd. In July 2024, he was appointed as a member of the standing committee of the party committee of China Railway Construction Corporation, and a member of the standing committee of the party committee and vice president of China Railway Construction Corporation Limited. In January 2026, he was appointed as the deputy secretary of the party committee, employee director and chairman of the labour union of China Railway Construction Corporation, and the deputy secretary of the party committee and chairman of the labour union of China Railway Construction Corporation Limited. Mr. CHEN obtained an undergraduate education in Economic Management from the Party School of the Central Committee of the Communist Party of China. He is a professor-level senior engineer.

Mr. GAO Lieyang (郜烈陽), born in September 1965, a Chinese with no right of abode overseas, holds a master's degree, a professor level senior architect, a registered constructor of PRC, a Chartered Builder of The Chartered Institute of Building, U. K., and is currently a non-executive director of the Company. Mr. GAO successively served as the chief officer of the design and supervision department of China State Construction Engineering Group Co., Ltd., executive deputy director of Fujian Office of China State Construction Engineering Group Co., Ltd., general manager of the China State Construction Engineering Group South Co., Ltd., executive deputy general manager of general contracting department of China State Construction Engineering Group Co., Ltd., general manager of decoration department of China State Construction Engineering Group Co., Ltd., executive director and general manager of China State Construction Development Co., Ltd., chairman and secretary to the Party Committee of China State Decoration Group Co., Ltd., assistant general manager of China State Construction Engineering Corporation Ltd., as well as chairman and secretary to the Party Committee of CSCEC Xinjiang Construction & Engineering (Group) Co., Ltd., and chairman of the supervisory committee of China State Construction Engineering Corporation Ltd. He is currently a professional external director for state-owned enterprises, and concurrently serves as an external director for China Poly Group Corporation Limited and external director for China Minmetals Corporation.

Mr. MA Chuanjing (馬傳景), born in August 1957, a Chinese with no right of abode overseas, holds a Doctor's degree, and is currently an independent non-executive director of the Company. Mr. MA was a teacher in the Beijing Chemical Industry Institute, and previously served as an editor of the economic editorial department of Qiushi (Hongqi) Journal, vice president and president of the economic editorial department and the head of the international department of Qiushi Journal, the vice president of the Comprehensive Research Department under the Research Office of the State Council, the vice president and president of Industry, Transportation and Trade Research Department under the Research Office of the State Council and a professional external director for central state owned enterprises. He was an external director of Sinotrans & CSC Holdings Co., Ltd., an external director of Sinochem Group Co., Ltd., an external director of Xinxing Cathay International Group Co., Ltd. and an non-executive director of China Energy Engineering Group Co., Ltd. Currently, he is also an external director of China International Engineering Consulting Corporation.

Mr. XIE Guoguang (解國光), born in August 1960, a Chinese with no right of abode overseas, holds a bachelor's degree, a professor-level senior accountant, and is currently an independent non-executive director of the Company. Mr. XIE was an assistant accountant in the finance department of the Bureau of Administration of the Ministry of Construction, accountant of the Audit Bureau of the Ministry of Construction, accountant of the finance department of China Construction Technical Research Centre, accountant of Witt Company, accountant, deputy director and director of the finance department of China Architecture Design & Research Group, chief accountant of China Architecture Design & Research Group, chief accountant and secretary to the Board of China Construction Technology Group Co., Ltd., chief accountant of China Construction Technology Co., Ltd., and a standing committee member of the Party Committee and chief accountant of China Energy Conservation and Environmental Protection Group. He is also an external director of China National Coal Group Corporation.

Mr. TSIN Wai Lun Kenneth (錢偉倫), born in July 1967, with Chinese (Hong Kong) nationality and no right of abode overseas, holds a doctor's degree, a master's degree in law, a master's degree in Science in Electronic Commerce and Internet Computing, and a master's degree in Business Administration, and is currently an independent non-executive director of the Company. He previously served as the vice chairman of the Hong Kong Chinese Bankers Association and an external director of China Merchants Group Limited. He currently also serves as chairman and chief executive officer of CBHK Holdings Limited, chief executive officer of CMK lawyers, founder of the Hong Kong International Data Protection Society, founder of Greater Bay Area Hong Kong International Professional Services Association, member of the Small and Medium Law Firms Association of Hong Kong, and consultant of Chinese Bankers Club, Hong Kong.

Mr. WANG Jun (王俊), born in March 1961, a Chinese with no right of abode overseas, holds a Doctor's degree, a researcher and is currently an independent non-executive director of the Company. Mr. Wang has served as director of the science and technology department at China Academy of Building Research, assistant to the president and director of the Science and Technology Department at China Academy of Building Research, vice president of China Academy of Building Research, president of China Academy of Building Research, president and deputy party committee secretary of China Academy of Building Research, and party committee secretary and chairman of the board of China Academy of Building Research Co., Ltd.

Ms. ZHU Lin (朱霖), born in February 1974, a Chinese with no right of abode overseas, holds a postgraduate degree and is a senior economist. She currently serves as an employee director of the company and concurrently serves as the party committee secretary and executive vice president (director) of the affiliated China Railway Construction Corporation Party School (Beijing Training Center). She previously served as deputy director (in charge) of the labor and wages department at railway construction research and design institute, deputy director (in charge) of the enterprise development department, director of the human resources department, director of the human resources division, and director of the human resources division (party committee cadre department) at China Railway Fifth

Survey and Design Institute Group Co., Ltd. She also served as a standing committee member of the party committee, secretary of the discipline inspection commission, chairman of the labor union, and chairman of the board of supervisors at China Railway Fifth Survey and Design Institute Group Co., Ltd., as well as deputy party committee secretary, chairman of the labor union, and employee director. she later served as deputy party committee secretary and vice president (deputy director) of China Railway Construction Corporation Party School (Beijing Training Center), and subsequently as party committee secretary and executive vice president (director) of China Railway Construction Corporation Party School (Beijing Training Center). In March 2025, she was appointed as an employee director of China Railway Construction Corporation Limited and party committee secretary and executive vice president (director) of China Railway Construction Corporation Party School (Beijing Training Center).

SENIOR MANAGEMENT

The members of the senior management of the Company as at the date of this Offering Circular are as follows:

Name	Position
PEI Minshan (裴岷山)	President
ZHU Hongbiao (朱宏標)	Chief Accountant
HUANG Changfu (黃昌富)	Vice President
LI Xinglong (李興龍)	Vice President
SUN Liqiang (孫立強)	Vice President
YANG Zhefeng (楊哲峰)	Vice President
SUN Gongxin (孫公新)	Chief Economist
GUAN Shanyue (官山月)	Chief Safety Officer
ZHAO Wei (趙偉)	Assistant to the President
JING Jing (靖菁)	Secretary to the Board
DAI Jinghui (代敬輝)	Chief Engineer

For the biography of Mr. PEI Minshan (裴岷山), see "*Directors and Senior Management — Directors*" above. The biographies of other senior management of the Company are set out below.

Mr. ZHU Hongbiao (朱宏標), born in November 1970, a Chinese with no right of abode overseas, is currently a member of the standing committee of the communist party committee and the chief accountant of the Company, as well as a member of the standing committee of the communist party committee of China Railway Construction Corporation. He previously served as accountant in the Finance Department of China Road and Bridge Corporation (CRBC), accountant in its Kenya Office, deputy director of the fund division in the finance department, assistant of the general manager in the fund management department, deputy general manager of the fund management department, deputy general manager of the financial and accounting department, and director of the fund settlement centre; deputy general manager of the fund department and deputy director of the fund settlement centre of China Communications Construction Group Co., Ltd., general manager of the fund department and director of the fund settlement centre of China Communications Construction Co., Ltd., general manager of the financial and fund department of China Communications Construction Group Co., Ltd. and China Communications Construction Co., Ltd., CFO of China Urban and Rural Construction Group, and deputy leader of the preparatory group of China Zhibao Co., Ltd.; in October 2019, he took the position of member of the Standing Committee of the Party Committee and chief accountant of China Communications Construction Co., Ltd.; in August 2023, he was appointed as member of the Standing Committee of the Party Committee of China Railway Construction Corporation, member of the standing committee of the party committee and chief accountant of China Railway Construction Corporation Limited. Mr. ZHU graduated from Chang'an University (formerly known as Xi'an Highway University) with a bachelor's degree in accounting, and later obtained a master's degree in accounting from Peking University. He is a professorate senior accountant.

Mr. HUANG Changfu (黃昌富), born in February 1971, a Chinese with no right of abode overseas, is currently a member of the standing committee of the party committee and vice president of the Company, and concurrently serves as a member of the Standing Committee of the Party Committee of China Railway Construction Corporation. He served as the deputy general manager of China Railway 16th Bureau Group Co., Ltd., and the deputy secretary of the party committee, deputy general manager (in charge of work), general manager, secretary of the party committee, and chairman of China Railway 15th Bureau Group Co., Ltd. He has been appointed as a member of the standing committee of the communist party committee of China Railway Construction Group Corporation Limited and a member of the standing committee of the communist party committee and vice president of China Railway Construction Corporation since July 2024. Mr. HUANG graduated from University of Science and Technology Beijing with a PhD in geotechnical engineering. He is a professorate senior engineer.

Mr. LI Xinglong (李興龍), born in November 1974, a Chinese with no right of abode overseas, is currently a member of the standing committee of the party committee and vice president of the Company, and concurrently serves as a member of the standing committee of the party committee of China Railway Construction Corporation. He served as deputy general manager, deputy general manager (in charge of management work), general manager, deputy secretary of the party committee, secretary of the party committee and chairman of China Railway Construction Real Estate Group Co., Ltd. He has been appointed as a member of the standing committee of the communist party committee of China Railway Construction Corporation and a member of the standing committee of the communist party committee and vice president of China Railway Construction Corporation Limited since July 2024. Mr. LI graduated from Shijiazhuang Tiedao University with a bachelor's degree in management engineering and later obtained a master's degree in software engineering. He is a senior engineer.

Mr. SUN Liqiang (孫立強), born in June 1969, a Chinese with no right of abode overseas, is currently a member of the standing committee of the party committee and vice president of the Company, and concurrently serves as a member of the standing committee of the party committee of China Railway Construction Group Co., Ltd. He previously served as deputy general manager of China Road and Bridge Corporation; deputy commander and executive commander of the Mombasa Nairobi Railway Project Headquarters, executive general manager of the overseas business department and executive general manager of the international engineering branch, general manager of the road, bridge and rail transit business department and general manager of the project management business department, general manager of the production, operation and management department, general manager of the international direct operation business department, secretary of the party committee and general manager of the international engineering branch of China Communications Construction Company Limited; assistant general manager of China Communications Construction Company Limited, concurrently general manager of the international direct operation business department, deputy secretary of the party committee and general manager of the international engineering branch. In September 2023, he was appointed as vice president and safety director of China Communications Construction Company Limited. In January 2026, he was appointed as a member of the standing committee of the party committee of China Railway Construction Corporation, and a member of the standing committee of the party committee and vice president of China Railway Construction Corporation Limited. Mr. SUN graduated from Xi'an Highway Institute majoring in bridge engineering with a bachelor's degree, and subsequently obtained a master of engineering degree in project management engineering from the Chinese Academy of Sciences. He is a professor-level senior engineer.

Mr. YANG Zhefeng (楊哲峰), born in October 1972, a Chinese with no right of abode overseas, is currently a member of the standing committee of the communist party committee and vice president of the Company. He served as deputy general manager of China Railway 16th Bureau Group Co., Ltd., the general manager and deputy secretary of the party committee of China Railway Construction Investment Group Co., Ltd., the secretary of the party committee and chairman of China Railway 19th Bureau Group Co., Ltd., and the secretary of the party committee and chairman of China Railway 16th Bureau Group Co., Ltd. He has been appointed as a member of the standing committee of the communist party

committee and vice president of China Railway Construction Corporation Limited since July 2024. Mr. YANG graduated from China University of Geosciences (Wuhan) majoring in underground construction engineering with a doctorate degree. He is a professorate senior engineer.

Mr. SUN Gongxin (孫公新), born in October 1967, a Chinese with no right of abode overseas, is currently a chief economist of the Company. He served as the chairman, general manager and deputy secretary of the party committee of China Railway 19th Bureau Group First Engineering Co., Ltd., and the deputy general manager, general manager, vice chairman and deputy secretary of the party committee of China Railway 19th Bureau Group Co., Ltd. He has been appointed as the assistant to the president of the Company since March 2014, the special assistant to the president of the Company since July 2014, the chief economist of the Company since June 2015. Mr. SUN graduated from Tsinghua University majoring in business administration with a master's degree. He is a professorate senior engineer.

Mr. GUAN Shanyue (官山月), born in August 1972, a Chinese with no right of abode overseas, is currently a chief safety officer of the Company. He served as the division director and deputy department director of the second supervision and management division of the second department of safety supervision and management of the State Administration of Work Safety, a temporary member of the standing committee of the municipal party committee and deputy mayor of Huainan City, Anhui Province, and deputy director of the department of safety production comprehensive coordination of the emergency management department. He has been appointed as the safety director of the Company since April 2019. Mr. GUAN graduated from China University of Mining and Technology majoring in mining engineering with a master's degree. He is a senior engineer.

Mr. ZHAO Wei (趙偉), born in August 1968, a Chinese with no right of abode overseas, currently serves as assistant to the president of the Company. Mr. ZHAO once served as assistant to general manager, general manager, deputy secretary of the party committee and director, secretary of the party committee, chairman and general manager, and secretary of the party committee and chairman of China Railway Construction Corporation, the executive deputy head of the construction leading group of residential district of CRCC headquarters, and became deputy chief economist and general manager of the corporate management department and the chairman of the supervisory committee of the Company in February 2021, and has been serving as the assistant to the president of the Company since October 2025. Mr. ZHAO graduated from Beijing Institute of Technology with a doctor's degree, majoring in management science and engineering, and is a professor-level senior engineer.

Ms. JING Jing (靖菁), born in March 1971, a Chinese with no right of abode overseas, is currently the secretary to the Board of the Company. She served as the director of the secretary division of the Board office of China Railway Construction Corporation Limited, deputy director of the secretary bureau of the Board and division chief of the secretariat division, deputy director, and director of the secretary bureau of the Board. She has been serving as director of the Board office of the Company since December 2019, and as secretary to the Board of the Company since January 2022. Ms. JING graduated from Northern Jiaotong University with a master's degree in business administration. She is a senior economist.

Mr. DAI Jinghui (代敬輝), born in March 1974, a Chinese with no right of abode overseas, is currently a chief engineer of the Company, and concurrently serves as the general manager of the Technology Innovation and Digitalization Department. He previously served as deputy general manager of China Railway 18th Bureau Group Fifth Engineering Co., Ltd., deputy chief engineer, deputy general manager, and chief engineer of China Railway 18th Bureau Group, Co.,Ltd. concurrently as Party Working Committee secretary and commander of the China Railway 18th Bureau Group Sichuan-Tibet Railway project command. He was appointed as general manager (director) of the Company's Technology Innovation Department (Technical Center Office) in April 2022, and has served as the Company's chief engineer and general manager of the Technology Innovation and Digitalization Department since October 2025. Mr. DAI graduated from Peking University with a major in Business Administration, holding a Master of Business Administration degree, and is a Senior Engineer.

GUARANTEE OF THE NOTES

The Guarantor will unconditionally and irrevocably guarantee the due and punctual payment of all sums expressed to be payable by the Issuer under the Notes. Its obligations in that respect will be contained in the Deed of Guarantee in respect of the Notes to be dated on or about 29 September 2026.

The Guarantor is required by the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014 to file or cause to be filed the Guarantee of the Notes with SAFE within the time period prescribed. Although non-registration does not render the Guarantee of the Notes ineffective or invalid under PRC law, SAFE may impose penalties on the Guarantor if the Guarantor fails to complete the SAFE registration. Further, there may be hurdles at the time of remittance of funds (if any cross-border payment is to be made by the Guarantor under the Guarantee of the Notes) as domestic banks may require evidence of SAFE registration in connection with the Guarantee of the Notes in order to effect such remittance. The Guarantor intends to register the Guarantee of the Notes as soon as practicable within the prescribed time period in accordance with the Cross-Border Guarantee Provisions. In case of any change in the major clauses of the Deed of Guarantee, the Guarantor shall apply for the amendment registration. Prior to the performance or discharge of its obligations under the Guarantee of the Notes, the Guarantor is also required to complete a verification process with banks for each remittance under the Guarantee of the Notes.

On 26 January 2017, SAFE issued the Circular of the State Administration of Foreign Exchange on Further Promoting the Reform of Foreign Exchange Management and Improving Authenticity and Compliance Review (Hui Fa [2017] No. 3) (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知(匯發[2017]3號)) (the "**SAFE Circular 2017**"), which took into effect on the same day. Pursuant to this SAFE Circular 2017, funds raised offshore under NBWD are allowed to be directly or indirectly repatriated to the PRC by means of loans or equity investments. However, it is unclear as to:

(a) whether the existing requirements on NBWD for offshore bond issuance remains applicable, under which bond proceeds must be used for the offshore project(s) in which an onshore entity holds equity interest and thus cannot be repatriated to the PRC;

(b) whether, even though the bond proceeds are able to be repatriated to the PRC, such proceeds shall still be used for an offshore project ultimately (such as by way of the onshore entity's grant of shareholder loans to the offshore project or injection of capital into the offshore project); or

(c) whether, as a matter of practice, SAFE no longer enforces its existing requirements on NBWD for offshore bond issuance, and **provided that** the outbound guarantee registration is completed with SAFE, the bond proceeds can be repatriated to the PRC.

TAXATION

The following summary of certain tax consequences of the purchase, ownership and disposition of the Notes is based upon applicable laws, regulations, rulings and decisions in effect as at the date of this Offering Circular, all of which are subject to change (possibly with retroactive effect). This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Neither these statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any Holder of the Notes or any person acquiring, selling or otherwise dealing in the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes.

Persons considering the purchase of the Notes should consult their own tax advisers concerning the tax consequences of the purchase, ownership and disposition of the Notes.

PRC TAXATION

*The following summary describes the principal PRC tax consequences of ownership of the Notes by beneficial owners who, or which, are not residents of Chinese mainland for PRC tax purposes (the "**non-PRC Holders**"). In considering whether to invest in the Notes, investors should consult their individual tax advisors with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.*

Pursuant to the EIT Law and its implementation regulations, enterprises that are established under laws of foreign countries and regions (including Hong Kong, Macau and Taiwan Region) but whose "de facto management bodies" are within the territory of China shall be PRC tax resident enterprises for the purpose of the EIT Law and they shall pay enterprise income tax at the rate of 25.00 per cent. in respect of their taxable income sourced from both within and outside China. If relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management body" of the Issuer is within the territory of the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purpose of the EIT Law and be subject to enterprise income tax at the rate of 25.00 per cent. for its taxable income sourced from both within and outside PRC. As confirmed by the Issuer, as at the date of this Offering Circular, the Issuer has not been notified or informed by the PRC tax authorities that it is considered as a PRC tax resident enterprise for the purpose of the EIT Law. On that basis, holders of the Notes will not be subject to withholding tax, income tax or any other taxes or duties (including stamp duty) imposed by any governmental authority in the PRC in respect of the holding of the Notes or any repayment of principal and payment of interest made thereon.

However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future. Pursuant to the EIT Law and its implementation regulations, any non-resident enterprise without establishment within the PRC or whose income has no actual connection to its establishment inside the PRC shall pay enterprise income tax at the rate of 10.00 per cent. on the income sourced inside the PRC, unless a preferential rate is provided by tax treaties or arrangements entered into between the country or region where the non-resident is established and the PRC, and such income tax shall be withheld by sources with the PRC payer acting as the obligatory withholder, who shall withhold the tax amount from each payment or payment due. Accordingly, in the event the Issuer is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, the Issuer shall withhold income tax from the payments of interest in respect of the Notes for any non PRC enterprise Holder. However, despite the potential withholding of PRC tax by the Issuer, the Issuer has agreed to pay additional amounts to holders of the Notes so that holders of the Notes would receive the full amount of the scheduled payment, as further set out in the Terms and Conditions of the Notes.

In addition, in the event that the Guarantor is required to discharge its obligations under the Guarantee of the Notes, the Guarantor will be obliged to withhold PRC enterprise income tax at the rate up to 10.00 per cent. on the payments of interest made by it under the Guarantee of the Notes to non PRC resident enterprise Holders as such payments of interest will be regarded as being derived from sources within the PRC. To the extent that the PRC has entered into arrangements relating to the avoidance of double taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified non PRC resident enterprise Holders. Repayment of the principal will not be subject to PRC withholding tax.

Non PRC Holders will not be subject to the PRC tax on any capital gains derived from a sale or exchange of the Notes consummated outside Chinese mainland between non PRC Holders, except however, if the Issuer is treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future, any gain realised by the non PRC enterprise Holders from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly would be subject to up to 10.00 per cent. of PRC withholding tax.

No PRC stamp duty will be chargeable upon the issue or transfer (for so long as the register of Holders is maintained outside the PRC) of a Note.

Value-add Tax ("VAT")

On 23 March 2016, the MOF and the SAT issued the Circular 36 which confirmed that business tax would be completely replaced by VAT from 1 May 2016. Since then, the taxable service income derived from providing services which attracted business tax was entirely replaced by, and subject to, VAT.

According to Circular 36, the entities and individuals providing the services within China shall be subject to VAT. The services are treated as being provided within China where either the service provider or the service recipient is located in China. The services subject to VAT include the provision of financial services such as giving loans. It is further clarified under the Appendix of Circular 36 that the "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon. Although the issuance of the Notes is likely to be treated as financial services for VAT purposes, Circular 36 stipulates that services are treated as being provided within the PRC where either the service provider or the service recipient is located in the PRC. In connection with the issue of the Notes, none of the Issuer or the Holders is located in the PRC. There is no assurance that the issuance of the Notes will not be treated as financial services for VAT purpose. If the issuance of Notes is treated as financing services within the PRC by the relevant tax authorities, the Holders of the Notes shall be subject to VAT at the rate of 6.00 per cent. when receiving interest payments under the Notes. In addition, the Holders of the Notes shall be subject to the local levies. Given that the Issuer or the Guarantor (if the Guarantor is required to discharge its obligations on the Guarantee of the Notes) pays interest income to Holders of the Notes who are located outside of the PRC, the Issuer or the Guarantor acting as the obligatory withholder in accordance with applicable law, shall withhold VAT and local levies from the payment of interest income to Holders of the Notes who are located outside of the PRC.

Where a Holder of the Notes who is an entity or individual located outside of the PRC resells such Notes to an entity or individual located outside the PRC and derives any gain from such sale, since neither the service provider nor the service recipient is located in the PRC, theoretically Circular 36 does not apply to any such transfer of Notes. However, there is uncertainty as to the applicability of VAT if either the seller or buyer of Notes is located within the PRC.

The above description may be subject to further changes upon the issuance of further clarification rules and/or different interpretation by the competent tax authority in connection with Circular 36. There is uncertainty as to the application of Circular 36.

HONG KONG

Withholding tax

No withholding tax in Hong Kong is payable on payments of principal, premium or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of assessable profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**Inland Revenue Ordinance**") as it is currently applied, by the Inland Revenue Department, interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

- interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation (other than a financial institution) carrying on a trade, profession or business in Hong Kong; or

- interest on the Notes is derived from Hong Kong and is received by or accrues to a person (other than a corporation) carrying on a trade, profession or business in Hong Kong and is in respect of the funds of the trade, profession or business; or

- interest on the Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the Inland Revenue Ordinance).

Sums derived from the sale, disposal or redemption of the Notes may be subject to Hong Kong profits tax where received by or accrued to a person, other than a financial institution, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of, including where such activities were undertaken.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of the Notes may be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or redemption of the Notes may be subject to Hong Kong profits tax.

In addition, certain foreign-sourced income in respect of the Notes accrued to an MNE entity (as defined in the Inland Revenue Ordinance) carrying on a trade, profession or business in Hong Kong are regarded as arising in or derived from Hong Kong and subject to Hong Kong profits tax when they are received in Hong Kong, subject to certain exceptions and relief against double taxation as set out in the Inland Revenue Ordinance. Hong Kong has also introduced the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 to implement a domestic minimum top-up tax. From 2025, income of a constituent entity of an in-scope MNE group that is located in Hong Kong may be subject to top-up tax.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of the Notes.

The Proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective Holders are advised to seek their own professional advice in relation to the FTT.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a foreign financial institution may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the jurisdiction of the Issuer) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the publication of the final regulations defining "foreign passthru payment" and Notes issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under "*Terms and Conditions of the Notes — Further Issues*") that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders of the Notes should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The consolidated financial statements of the Group set out in the section "Selected Consolidated Financial Information of the Guarantor — Supplementary Financial Information" have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS, except for certain modifications still exist between PRC GAAP and IFRS, which might be relevant to the financial information of the Group included herein.

The following is a general summary of certain differences between PRC GAAP and IFRS as applicable to the Group. The differences identified below are limited to those significant differences that are appropriate to the Group's financial statements. The Group is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there is no assurance regarding the completeness of the summary. The Group has not prepared a complete reconciliation of the consolidated financial information and related footnote disclosure between PRC GAAP and IFRS and has not quantified such differences. Had any such quantification or reconciliation been undertaken by the Group, other potentially significant accounting and disclosure differences may be required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standard. Regulatory bodies that promulgate PRC GAAP and IFRS have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between PRC GAAP and IFRS that may affect the financial information as a result of transactions or events that may occur in the future. Accordingly, no assurance is ***provided that*** *the following summary of differences between PRC GAAP and IFRS is complete.*

In making an investment decision, investors must rely upon their own examination of the Group, the terms of the offering and other disclosure contained herein. Investors should consult their own professional advisors for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

PROVISION FOR PRODUCTION SAFETY EXPENSES

Under PRC GAAP, in accordance to relevant regulations in the PRC, production safety expenses are appropriated to a special reserve in equity with amount thereof determined based on certain formulas and charged to the costs of related products or services. When the expenses have incurred which have not resulted in fixed assets, such expenses shall be offset against the special reserve; when the expenses have incurred and have resulted in fixed assets, they shall be recognised in construction in progress and transferred to fixed assets when the assets are ready for the intended use. Same amount as the expenditure will be offset against the special reserve and recorded as accumulated depreciation at the same time.

Pursuant to IFRS, production safety expenditures not related to fixed assets shall be recognised in cost of related products or services as and when incurred. Production safety expenditures related to fixed assets shall be capitalised as cost of fixed assets as and when incurred, and depreciated according to relevant accounting policies of the Group.

SUBSCRIPTION AND SALE

The Issuer and the Guarantor have entered into a subscription agreement with the Joint Lead Managers dated 21 September 2026 (the "**Subscription Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer and the Guarantor have jointly and severally agreed to sell to the Joint Lead Managers, and the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Notes at an issue price of 100.0 per cent. of the aggregate principal amount of the Notes set forth below:

	Principal Amount of the Notes
	(CNY)
Huatai Financial Holdings (Hong Kong) Limited	295,000,000
ICBC International Securities Limited	295,000,000
Bank of China (Hong Kong) Limited	295,000,000
DBS Bank Ltd.	295,000,000
ABCI Capital Limited	160,000,000
China International Capital Corporation Hong Kong Securities Limited	160,000,000
Oversea-Chinese Banking Corporation Limited	160,000,000
CMB International Capital Limited	160,000,000
CLSA Limited	160,000,000
China Construction Bank (Asia) Corporation Limited	160,000,000
Bank of Communications Co., Ltd. Hong Kong Branch	160,000,000
Total	2,300,000,000

The Issuer and the Guarantor have jointly and severally agreed with the Joint Lead Managers in the Subscription Agreement that, for a period of 30 days after the Issue Date, none of the Issuer, the Guarantor nor any other subsidiary of the Group shall, without the prior written consent of the Joint Lead Managers, make any announcements of, or any issue or offering of debt securities (other than the Notes) to the public or through a private placement or otherwise in connection with which the Issuer, the Guarantor or any member of the Group is the borrower, debtor, issuer or guarantor, directly or on their behalf, save for the announcement of, or issue or offering of, debt or hybrid securities by the Guarantor or any other Subsidiary of the Guarantor in the PRC.

The Subscription Agreement provides that the Issuer and the Guarantor will jointly and severally indemnify the Joint Lead Managers against certain liabilities in connection with the offer and sale of the Notes. The Subscription Agreement provides that the obligations of the Joint Lead Managers are subject to certain conditions precedent, and entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

The Joint Lead Managers and certain of their subsidiaries or affiliates may have performed certain investment banking and advisory services for, and entered into certain commercial banking transactions with the Issuer, the Guarantor or any member of the Group and/or their respective subsidiaries and affiliates, from time to time, for which they have received customary fees and expenses. The Joint Lead Managers and their subsidiaries or affiliates may, from time to time, engage in transactions with and perform services for the Issuer, the Guarantor or any member of the Group and/or their respective subsidiaries and affiliates in the ordinary course of their business.

The Joint Lead Managers or their respective affiliates may purchase the Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to the Notes and/or other securities of the Issuer or the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of the Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of the Notes).

No action has been or will be taken that would, or is intended to, permit a public offering of the Notes, or the possession or distribution of this Offering Circular or any amendment or supplement thereto or any offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

Accordingly, the Notes should not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material, circular, prospectus, form of application or advertisement in connection with the Notes should be distributed or published in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not, save as disclosed in this Offering Circular, impose any obligations on the Issuer, the Guarantor or the Joint Lead Managers.

The distribution of this Offering Circular, or any offering material, and the offering, sale or delivery of the Notes is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Circular, or any offering material, are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Circular may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

Notice to capital market intermediaries and prospective investors pursuant to paragraph 21 of the Hong Kong SFC Code of Conduct — Important Notice to CMIs (including private banks): This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for this offering and are subject to additional requirements under the SFC Code. Prospective investors who are the directors, employees or major shareholders of the Issuer, the Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the Notes. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Guarantor or any CMI (including its group companies) and inform the Joint Lead Managers accordingly.

CMIs are informed that, the marketing and investor targeting strategy for this offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions set out elsewhere in this Offering Circular. CMIs should ensure that orders placed are bona fide, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the Notes (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages. CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer or the Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the Notes.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Joint Lead Managers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the Notes, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Joint Lead Manager(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order.

In relation to omnibus orders, when submitting such orders, CMIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code); and
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to: projecthuayuan@htsc.com, project_huayuan3@icbci.com, projecthuayuan@bochk.com and DCMOmnibus@dbs.com.

To the extent information being disclosed by CMIs and investors is personal and/or confidential in nature, CMIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for this offering/the relevant CMI Offering. CMIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in this offering. The relevant Joint Lead Managers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIs (including private banks) are required to provide the relevant Joint Lead Manager with such evidence within the timeline requested.

GENERAL

No action has been taken or will be taken in any jurisdiction that would permit a public offering of the Notes, or possession or distribution of this Offering Circular or any amendment or supplement thereto or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. The Group will have no responsibility for, and each Joint Lead Manager will obtain any consent, approval or permission required by it for, the acquisition, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer, sale or delivery. None of the Joint Lead Managers is authorised to make any representation or use any information in connection with the issue, subscription and sale of the Notes, other than as contained in this Offering Circular or any amendment or supplement thereto.

UNITED STATES

The Notes and the Guarantee of the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Joint Lead Manager has represented and agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes, (a) as part of their distribution at any time or (b) otherwise, until 40 days after the later of the commencement of the offering and the issue date of the Notes, within the United States or to, or for the account or benefit of, U.S. Persons, and that it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. Persons.

In addition, until 40 days after commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in the preceding paragraphs of this sub-section have the meanings given to them by Regulation S under the Securities Act.

In addition to the foregoing selling restrictions, the Notes are not being offered or sold to any United States citizen, United States permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States.

Only Non-U.S. Persons outside the United States are eligible to receive this Offering Circular and participate in the offering of the Notes. Recipients of this Offering Circular are reminded to ensure that they are not engaging in a prohibited transaction under the Executive Order and associated subsequent guidance. Each offeree of the Notes, by accepting delivery of this Offering Circular, agrees to the foregoing and is deemed to have represented to the Issuer, the Guarantor, the Joint Lead Managers, the Trustee and the Agents and their respective directors, advisors and affiliates that (i) such offeree and any customers it represents are Non-U.S. Persons outside the United States and therefore not (a) a U.S. Person as defined in the Executive Order as any "United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States", or a U.S. Person as defined in the Securities Act or (b) engaging the Joint Lead Managers, the Trustee or any Agent to enter into any transactions for or on behalf of any U.S. Person and (ii) in respect of each transaction that any Joint Lead Manager or any of its subsidiaries/affiliates enters into with such

offeree or any customer it represents, any of their respective subsidiaries/affiliates, any of their respective parent companies or any of their subsidiaries/affiliates which relates to this Offering Circular or any Note, such transaction shall not involve the participation of, or otherwise facilitate dealings with, any U.S. Person that is not authorised by the Executive Order.

UNITED KINGDOM

Each of the Joint Lead Managers has represented, warranted and undertaken that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

HONG KONG

Each of the Joint Lead Managers has represented, warranted and undertaken that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

THE PEOPLE'S REPUBLIC OF CHINA

Each Joint Lead Manager represents, warrants and agrees that no Notes will be offered or sold in the PRC (for such purposes, not including the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan Region) directly or indirectly, except in compliance with applicable laws and regulations. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC to any person to whom it is unlawful or make the offer or solicitation in the PRC.

SINGAPORE

Each of the Joint Lead Managers has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and, accordingly, each Joint Lead Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

GENERAL INFORMATION

1. **Clearing Systems**: The Notes have been accepted for clearance by the CMU under CMU Instrument Number: BOAKFN26045, Common Code: 350460187 and ISIN: HK0001358099.

2. **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue of and performance of its obligations under the Notes, the Trust Deed and the Agency Agreement. The issue of the Notes was authorised by resolutions of the board of directors of the Issuer passed on 21 September 2026. The Guarantor has obtained all consents, approvals and authorisations (including without limitation the obtaining of the approval from SAFE in respect of the Guarantor giving the Guarantee of the Notes and all other consents and licences and the making of any filing or registration) in connection with the giving of the Guarantee of the Notes and the performance of its obligations under the Deed of Guarantee, the Trust Deed and the Agency Agreement. The giving of the Guarantee of the Notes was authorised by resolutions of the board and the shareholders of the Guarantor passed on 30 March 2026 and 26 June 2026, respectively.

3. **Registrations and Filings**: Pursuant to the NDRC Foreign Debt Measures issued by the NDRC on 5 January 2023 which came into effect on 10 February 2023, the Issuer has registered the issuance of the Notes with the NDRC and obtained a certificate from NDRC on 23 October 2025 evidencing such registration and undertakes to provide the requisite information on the issuance of the Notes to the NDRC within the prescribed timeframe. The NDRC Post-issue Filing is a procedural process rather than a substantive approval or consent process. Any failure by the Issuer to complete the NDRC Post-issue Filing in accordance with the NDRC Foreign Debt Measure will not impact the enforceability or validity of the Notes.

   The Guarantor will undertake to file or cause to be filed with SAFE for the registration of the Deed of Guarantee in accordance with, and within the time period prescribed by, the Provisions on the Foreign Exchange Administration of Cross-border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 and effective from 1 June 2014, and any implementation rules as issued by SAFE from time to time. The Guarantor intends to complete this filing as soon as practicable before the Registration Deadline (being 150 PRC Business Days after the Issue Date).

4. **No Material Adverse Change**: Except as disclosed in this Offering Circular, there has been no material adverse change since 31 December 2025 (in the case of the Guarantor and the Group) or the date of incorporation (in the case of the Issuer), in the financial or trading position, prospects or results of operations of the Issuer, the Guarantor or the Group.

5. **Litigation**: From time to time, the Issuer, the Guarantor and other members of the Group may be involved in litigation or other disputes that arise in the ordinary course of business. However, none of the Issuer, the Guarantor or any member of the Group is currently involved in any litigation, disputes or arbitration proceedings which the Group believes are material in the context of the Notes and the giving of the Guarantee of the Notes, and the Issuer or the Guarantor is not aware of any material litigation, disputes or arbitration proceedings that are currently pending or threatened.

6. **Listing of Notes**: Application will be made to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Notes on the Hong Kong Stock Exchange by way of debt issues to Professional Investors only.

7. **Available Documents**: As long as any of the Notes are outstanding, copies of the following documents will be available for inspection and may be obtained during normal business hours at the specified office of the Issuer at 23/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong:

   - Articles of Association of the Issuer and the Guarantor;
   - copies of the audited consolidated financial statements of the Company as at and for the years ended 31 December 2024 and 2025;
   - copies of the reviewed consolidated financial statements of the Company as at and for the six months ended 30 June 2026;
   - the Deed of Guarantee;
   - the Agency Agreement;
   - the Trust Deed; and
   - the Green Finance Framework.

8. **Legal Entity Identifier**: The Legal Entity Identifier of the Issuer is 836800BREZFJQXIMMH20.

9. **Independent Auditors**: The Company's consolidated audited financial information as at and for the years ended 31 December 2023 and 2024, which are included elsewhere in this Offering Circular, have been audited by Deloitte. The Company's consolidated audited financial information as at and for the year ended 31 December 2025, which are included elsewhere in this Offering Circular, have been audited by Ernst & Young. The Company's consolidated reviewed financial information as at and for the six months ended 30 June 2025 and 2026, which are included elsewhere in this Offering Circular, have been reviewed by Ernst & Young.

   The independent auditors of the Company have agreed to the inclusion in this Offering Circular herein of, and all references to, (i) their name; (ii) Deloitte's audit report dated 28 March 2025 on the consolidated financial statements of the Group for the year ended 31 December 2024; (iii) Ernst & Young's audit report dated 30 March 2026 on the consolidated financial statements of the Group for the year ended 31 December 2025; (iv) Ernst & Young's review report dated 28 August 2026 on the consolidated financial statements of the Group for the six months ended 30 June 2026.

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Independent Auditor's Report

De Shi Bao (Shen) Zi (25) No. P02874

To the shareholders of China Railway Construction Corporation Limited:

I. OPINION

We have audited the accompanying financial statements of China Railway Construction Corporation Limited ("the Company", the Company and its subsidiaries collectively referred to as "the Group"), which comprise the consolidated and the Company's statements of financial position as at 31 December 2024, and the consolidated and the Company's statements of profit or loss and other comprehensive income, the consolidated and the Company's statements of changes in equity and the consolidated and the Company's statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements of China Railway Construction Corporation Limited give a true and fair view, in all material respects, of the consolidated and the Company's financial position as of 31 December 2024, and the consolidated and the Company's financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Chinese Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The followings are key audit matters that we have determined to communicate in the independent auditor's report.

III. KEY AUDIT MATTERS (Continued)

1. Revenue from construction operations

1.1 Description

As disclosed in Note V. 48 to the consolidated financial statements, the revenue of the Group is mainly derived from construction operations, which has significance to the consolidated financial statements. As stated in Note III. 21 to the consolidated financial statements, for most of the Group's construction operations, the Group completes satisfaction of the relevant performance obligations over time. The revenue is recognised during the contract period according to the expected total contract revenue and total contract costs based on the performance progress, which is determined by input method. The expected total contract revenue and total contract costs shall be determined according to the contract budget of the construction contracts, which shall be continuously evaluated and revised during the execution of the contract. The relevant contract budget involves the management's use of significant accounting estimations and judgements. We identified the revenue from construction operations as a key audit matter due to the fact that the accounting treatments of which require significant estimations and judgments.

1.2 Audit Response

Our procedures in relation to recognition of revenue from construction operations mainly included:

(1) Testing and evaluating the effectiveness of the key internal controls in place on budget preparation and revenue recognition of the construction operations;

(2) Checking on a sample basis, whether the expected total contract revenue and total contract costs are consistent with the project contract and cost budget that they base on;

(3) Checking construction costs incurred during the year by tracing to support documentation on a sample basis, and performing cut-off tests on construction costs;

(4) Recalculating the calculation accuracy on performance progress of construction operations by reference to construction contract ledger on a sample basis;

(5) Visiting the selected samples of sites of construction projects to observe the progress of the construction work, discussing with the site project management the extent to which the construction work was completed, evaluating the reasonableness of the performance progress in record and performing gross margin analysis.

Independent Auditor's Report (continued)

III. KEY AUDIT MATTERS (Continued)

2. Impairment of trade receivables and contract assets

2.1 Description

As stated in Note III. 35 "Impairment of trade receivables and contract assets" to the consolidated financial statements, the Group measures loss allowances for trade receivables and contract assets based on lifetime expected credit losses. For trade receivables and contract assets which are individually significant and credit-impaired, the Group's management assesses credit losses individually based on the evidence of credit-impairment and forward-looking information. Except for the trade receivables and contract assets whose impairment of credit losses are assessed individually, the Group's management classifies the trade receivables and contract assets into different portfolios based on collective credit risk characteristics, and uses provision matrix to assess expected credit losses. The provision rates of each portfolio are based on the Group's historical actual loss rates, taking into consideration forward-looking information. We identified the impairment of trade receivables and contract assets as a key audit matter due to its significance to the consolidated financial statements and its involvement of management's significant accounting estimates and judgements.

2.2 Audit response

Our procedures in relation to the impairment of trade receivables and contract assets mainly included:

(1) Testing and evaluating the effectiveness of the key internal controls relating to the management and impairment test of trade receivables and contract assets;

(2) Corroborating the relevant consideration and objective evidence used by the management in assessing the expected credit losses of trade receivables and contract assets;

(3) For trade receivables and contract assets individually assessed for expected credit losses, reviewing the supporting documentation and assessing the reasonableness of the provision determined by the management based on the customer's financial and credit status, historical payment rate and the forecast of the future financial status on a sample basis;

(4) For trade receivables and contract assets assessed by provision matrix based on collective credit risk characteristics for expected credit losses, assessing the reasonableness of portfolios classification and provision rates of each portfolio determined by the management, including recalculation of historical actual loss rates determined by the management, and involving our internal valuation specialists to evaluate the appropriateness of management's assessment of forward-looking information; Meanwhile, checking the appropriateness of classification of trade receivables and contract assets in the provision matrix based on collective credit risk characteristics for expected credit losses on a sample basis.

IV. OTHER INFORMATION

The management of the Company is responsible for the other information. The other information comprises the information included in the 2024 Annual Report, but does not include the financial statements and our independent auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of the Company is responsible for the preparation of the financial statements that give a true and fair view in accordance with Accounting Standards for Business Enterprises, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report (continued)

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(4) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, including the disclosures, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our independent auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Touche Tohmatsu CPA LLP
Shanghai China

Chinese Certified Public Accountant: **Chen Xi**
(Engagement Partner)

Chinese Certified Public Accountant: **Zhou Hongyu**

28 March 2025

This independent auditor's report of the financial statements and the accompanying financial statements are English translations of the independent auditor's report and the financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

Consolidated Statement of Financial Position

As at 31 December 2024

RMB'000

ASSETS	*Note V*	31 December 2024	31 December 2023
Current assets			
Cash and bank balances	1	**185,703,115**	166,957,837
Held-for-trading financial assets	2	**1,533,116**	1,629,785
Bills receivable	3	**3,225,444**	3,229,041
Receivables at fair value through other comprehensive income	4	**1,644,048**	2,723,520
Trade receivables	5	**204,759,238**	155,809,067
Advances to suppliers	6	**23,110,034**	21,712,629
Other receivables	7	**65,825,415**	56,902,615
Inventories	8	**286,116,358**	307,642,792
Contract assets	9	**304,749,626**	291,782,104
Current portion of non-current assets	10	**32,284,851**	29,531,809
Other current assets	11	**35,023,530**	26,831,432
Total current assets		**1,143,974,775**	1,064,752,631
Non-current assets			
Loans and advances to customers	12	**1,140,201**	1,686,305
Long-term receivables	13	**142,506,358**	109,859,078
Long-term equity investments	14	**153,984,400**	149,278,357
Debt investments	15	**3,881,575**	6,016,176
Other debt investments		**–**	5,115,845
Other non-current financial assets	16	**11,376,122**	10,287,149
Other equity instrument investments	17	**13,167,797**	12,575,571
Investment properties	18	**15,981,833**	11,399,446
Fixed assets	19	**73,028,467**	73,269,486
Construction in progress	20	**6,812,863**	5,810,715
Right-of-use assets	21	**7,504,478**	7,140,700
Intangible assets	22	**117,002,389**	69,736,458
Development expenditure		**49,027**	15,472
Goodwill	23	**49,762**	55,617
Long-term prepayments		**1,103,965**	852,730
Deferred tax assets	24	**12,152,500**	11,211,912
Other non-current assets	25	**159,126,010**	123,955,930
Total non-current assets		**718,867,747**	598,266,947
TOTAL ASSETS		**1,862,842,522**	1,663,019,578

Consolidated Statement of Financial Position (continued)

As at 31 December 2024

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	31 December 2024	31 December 2023
Current liabilities			
Short-term loans	26	**150,142,693**	81,839,758
Due to customers	27	**2,051,298**	1,356,691
Bills payable	28	**41,316,625**	53,461,242
Trade payables	29	**512,813,640**	491,567,214
Advances from customers		**372,439**	233,083
Contract liabilities	30	**141,649,350**	150,196,302
Employee benefits payable	31	**16,048,846**	16,117,433
Taxes payable	32	**8,138,705**	9,059,277
Other payables	33	**120,304,020**	106,058,137
Current portion of non-current liabilities	34	**76,507,103**	54,468,518
Other current liabilities	35	**43,409,640**	33,694,786
Total current liabilities		**1,112,754,359**	998,052,441
Non-current liabilities			
Long-term loans	36	**235,062,620**	165,621,478
Bonds payable	37	**32,720,483**	31,031,549
Lease liabilities	38	**4,197,035**	4,080,407
Long-term payables	39	**49,835,673**	41,263,172
Long-term employee benefits payable		**53,619**	65,376
Provisions		**1,628,540**	1,449,484
Deferred income	40	**1,130,936**	1,012,593
Deferred tax liabilities	24	**1,979,263**	2,008,603
Other non-current liabilities		**883,172**	1,314,702
Total non-current liabilities		**327,491,341**	247,847,364
Total liabilities		**1,440,245,700**	1,245,899,805

Consolidated Statement of Financial Position (continued)

As at 31 December 2024

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	31 December 2024	31 December 2023
Shareholders' equity			
Share capital	41	**13,579,542**	13,579,542
Other equity instruments	42	**64,167,509**	59,463,430
Capital reserve	43	**47,964,063**	48,847,173
Other comprehensive income	44	**(1,305,778)**	(667,494)
Special reserve	45	**–**	–
Surplus reserve	46	**6,789,771**	6,789,771
Retained earnings	47	**197,055,973**	181,825,095
Total equity attributable to owners of the Company		**328,251,080**	309,837,517
Non-controlling interests		**94,345,742**	107,282,256
Total shareholders' equity		**422,596,822**	417,119,773
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,862,842,522**	1,663,019,578

The accompanying notes form part of the financial statements.

The financial statements on page 260 to page 584 have been signed by the following:

Chairman of the Company	*CFO*	*Head of the Finance Department:*
Dai, Hegen	**Zhu, Hongbiao**	**Wang, Lei**

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

RMB'000

ITEM	*Note V*	**For the year ended 31 December 2024**	For the year ended 31 December 2023 (restated)
Revenue	48	**1,067,171,337**	1,137,993,486
Less: Cost of sales	48	**957,601,788**	1,019,749,051
Taxes and surcharges	49	**3,629,371**	4,296,937
Selling and distribution expenses	50	**6,836,126**	7,311,902
General and administrative expenses	51	**22,328,601**	23,466,318
Research and development expenses	52	**25,713,270**	26,725,454
Finance costs	53	**7,946,298**	4,661,449
Including: Interest expenses		**9,635,257**	7,459,090
Interest income		**3,767,214**	4,216,238
Add: Other income	56	**741,116**	954,634
Investment losses	57	**(1,295,737)**	(4,229,965)
Including: Share of (losses)/profits of associates and joint ventures		**(380,154)**	564,987
Losses from derecognition of financial assets measured at amortised cost		**(1,808,684)**	(5,563,839)
Losses on fair value changes	58	**(1,466,842)**	(643,564)
Impairment losses on assets	54	**(3,038,039)**	(3,461,187)
Impairment of credit losses	55	**(6,058,228)**	(6,480,044)
Gains on disposal of assets		**285,074**	671,460
Operating profit		**32,283,227**	38,593,709
Add: Non-operating income	59	**949,842**	980,751
Less: Non-operating expenses	60	**758,360**	746,308
Profit before tax		**32,474,709**	38,828,152
Less: Income tax expenses	62	**5,396,332**	6,499,423
Net profit		**27,078,377**	32,328,729

Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

For the year ended 31 December 2024

RMB'000

ITEM	*Note V*	For the year ended 31 December 2024	For the year ended 31 December 2023 (restated)
Classified by the continuity of operation			
Net profit from continuing operations		**27,078,377**	32,328,729
Net profit from discontinued operations		**–**	–
Classified by the ownership			
Net profit attributable to owners of the Company		**22,215,074**	26,096,971
Net profit attributable to non-controlling interests		**4,863,303**	6,231,758
Other comprehensive income/(expenses), net of tax	44		
Other comprehensive (expenses)/income attributable to owners of the Company, net of tax		**(433,061)**	363,575
Other comprehensive income/(expenses) not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		**594,560**	(41,838)
Others		**895**	(878)
Other comprehensive income/(expenses) to be reclassified to profit or loss			
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		**61,728**	192,843
Changes in fair value of other debt investments		**(6,237)**	16,243
Exchange differences on translation of foreign operations		**(1,079,884)**	191,747
Changes in fair value of receivables at fair value through other comprehensive income		**(4,123)**	5,458
Other comprehensive income attributable to non-controlling interests, net of tax		**66,208**	11,950
Total comprehensive income		**26,711,524**	32,704,254
Including:			
Total comprehensive income attributable to owners of the Company		**21,782,013**	26,460,546
Total comprehensive income attributable to non-controlling interests		**4,929,511**	6,243,708
Earnings per share:			
Basic earnings per share *(RMB/share)*	63	**1.46**	1.73
Diluted earnings per share *(RMB/share)*	63	**1.46**	1.73

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

RMB'000

ITEM		*Note V*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
1.	**Cash Flows from Operating Activities:**			
	Cash received from the sale of goods or rendering of services		**1,072,608,268**	1,154,794,097
	Refunds of tax		**2,210,408**	2,412,808
	Net increase/(decrease) in due to customers and due to banks		**694,607**	(1,811,912)
	Cash received from other operating activities	64(1)	**15,788,944**	25,121,559
	Subtotal of cash inflows from operating activities		**1,091,302,227**	1,180,516,552
	Cash paid for goods and services		**987,757,916**	1,031,538,606
	Net (decrease)/increase in loans and advances to customers		**(556,585)**	250,000
	Net increase/(decrease) in balances with the central bank		**784,670**	(324,393)
	Cash paid to and on behalf of employees		**80,858,786**	80,378,095
	Payments of various types of taxes		**29,333,856**	30,931,897
	Cash paid for other operating activities	64(2)	**24,547,416**	17,330,299
	Subtotal of cash outflows from operating activities		**1,122,726,059**	1,160,104,504
	Net cash flows (used in)/generated from operating activities	65(1)	**(31,423,832)**	20,412,048
2.	**Cash Flows from Investing Activities:**			
	Cash received from disposal of investments		**15,557,754**	8,276,406
	Cash received from investment income		**1,328,498**	2,804,336
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**2,759,801**	3,856,043
	Net decrease in cash and bank balances with title restrictions		**–**	95,594
	Net cash received from disposal of subsidiaries		**–**	16,483
	Cash received from other investing activities	64(3)	**681,737**	1,903,558
	Subtotal of cash inflows from investing activities		**20,327,790**	16,952,420

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2024

RMB'000

ITEM	*Note V*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		**37,948,731**	34,920,632
Cash paid for acquisition of investments		**24,843,108**	37,110,210
Net increase in cash and bank balances with title restrictions		**2,514,462**	–
Net cash payments for acquisitions of subsidiaries and other business units	65(2)	**1,492,928**	–
Cash paid for other investing activities		**1,568,097**	830,729
Subtotal of cash outflows from investing activities		**68,367,326**	72,861,571
Net cash flows used in investing activities		**(48,039,536)**	(55,909,151)
3. Cash Flows from Financing Activities:			
Cash received as capital contributions		**18,547,638**	15,085,432
Including: Cash received from non-controlling shareholders of subsidiaries		**2,058,483**	7,893,033
Cash received from issuing bonds		**18,274,797**	14,635,000
Cash received from borrowings		**465,287,674**	292,345,192
Cash received from other financing activities		**1,985,696**	1,466,955
Subtotal of cash inflows from financing activities		**504,095,805**	323,532,579
Cash repayments for borrowings		**350,494,642**	244,732,659
Cash paid for distribution of dividends or profits and for interest expenses		**26,228,244**	23,267,207
Including: Cash paid to non-controlling shareholders for distribution of dividends by subsidiaries		**3,905,775**	3,742,646
Cash paid for other financing activities	64(4)	**32,614,658**	10,941,208
Subtotal of cash outflows from financing activities		**409,337,544**	278,941,074
Net cash flows generated from financing activities		**94,758,261**	44,591,505

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2024

RMB'000

ITEM	*Note V*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
4. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(561,050)**	(972,117)
5. NET INCREASE IN CASH AND CASH EQUIVALENTS		**14,733,843**	8,122,285
Add: Cash and cash equivalents at beginning of the year	65(3)	**152,637,777**	144,515,492
6. CASH AND CASH EQUIVALENTS AT END OF THE YEAR	65(3)	**167,371,620**	152,637,777

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

RMB'000

ITEM	For the year ended 31 December 2024									
	Equity attributable to owners of the Company									
	Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I. As at 31 December 2023	13,579,542	59,463,430	48,847,173	(667,494)	–	6,789,771	181,825,095	309,837,517	107,282,256	417,119,773
II. Increase/(decrease) during the year	–	4,704,079	(883,110)	(638,284)	–	–	15,230,878	18,413,563	(12,936,514)	5,477,049
(I) Total comprehensive income	–	–	–	(433,061)	–	–	22,215,074	21,782,013	4,929,511	26,711,524
(II) Capital contributions and withdrawals by shareholders	–	4,704,079	(883,110)	–	–	–	–	3,820,969	(13,821,815)	(10,000,846)
1. Capital contributions and withdrawals by Shareholders	–	–	(62,990)	–	–	–	–	(62,990)	(9,019,106)	(9,082,096)
2. Capital contributions and withdrawals by other equity instruments holders *(Note V.42)*	–	4,704,079	(14,924)	–	–	–	–	4,689,155	–	4,689,155
3. Equity transactions with non-controlling interests *(Note V.43)*	–	–	(805,196)	–	–	–	–	(805,196)	(4,802,709)	(5,607,905)
(III) Profit distribution	–	–	–	–	–	–	(7,189,419)	(7,189,419)	(4,044,210)	(11,233,629)
1. Appropriation to statutory surplus reserve	–	–	–	–	–	–	–	–	–	–
2. Distribution to shareholders *(Note V.47)*	–	–	–	–	–	–	(7,189,419)	(7,189,419)	(4,044,210)	(11,233,629)
(IV) Special reserve *(Note V.45)*	–	–	–	–	–	–	–	–	–	–
1. Appropriated in current year	–	–	–	–	19,385,942	–	–	19,385,942	–	19,385,942
2. Used in current year	–	–	–	–	(19,385,942)	–	–	(19,385,942)	–	(19,385,942)
(V) Others *(Note V.44)*	–	–	–	(205,223)	–	–	205,223	–	–	–
III. As at 31 December 2024	13,579,542	64,167,509	47,964,063	(1,305,778)	–	6,789,771	197,055,973	328,251,080	94,345,742	422,596,822

Consolidated Statement of Changes in Equity (continued)

For the year ended 31 December 2024

RMB'000

ITEM	For the year ended 31 December 2023									
	Equity attributable to owners of the Company									
	Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I. As at 1 January 2023	13,579,542	59,959,677	48,907,056	(819,139)	–	6,789,771	161,981,132	290,398,039	95,522,013	385,920,052
II. Increase/(decrease) during the year	–	(496,247)	(59,883)	151,645	–	–	19,843,963	19,439,478	11,760,243	31,199,721
(I) Total comprehensive income	–	–	–	363,575	–	–	26,096,971	26,460,546	6,243,708	32,704,254
(II) Capital contributions and withdrawals by shareholders	–	(496,247)	(59,883)	–	–	–	(114,667)	(670,797)	9,304,617	8,633,820
1. Capital contributions and withdrawals by Shareholders	–	–	49,639	–	–	–	(114,667)	(65,028)	9,188,065	9,123,037
2. Capital contributions and withdrawals by other equity instruments holders *(Note V. 42)*	–	(496,247)	(11,354)	–	–	–	–	(507,601)	–	(507,601)
3. Equity transactions with non-controlling interests	–	–	(98,168)	–	–	–	–	(98,168)	116,552	18,384
(III) Profit distribution	–	–	–	–	–	–	(6,350,271)	(6,350,271)	(3,788,082)	(10,138,353)
1. Appropriation to statutory surplus reserve	–	–	–	–	–	–	–	–	–	–
2. Distribution to shareholders *(Note V.47)*	–	–	–	–	–	–	(6,350,271)	(6,350,271)	(3,788,082)	(10,138,353)
(IV) Special reserve *(Note V. 45)*	–	–	–	–	–	–	–	–	–	–
1. Appropriated in current year	–	–	–	–	19,301,569	–	–	19,301,569	–	19,301,569
2. Used in current year	–	–	–	–	(19,301,569)	–	–	(19,301,569)	–	(19,301,569)
(V) Others *(Note V. 44)*	–	–	–	(211,930)	–	–	211,930	–	–	–
III. As at 31 December 2023	13,579,542	59,463,430	48,847,173	(667,494)	–	6,789,771	181,825,095	309,837,517	107,282,256	417,119,773

The Company's Statement of Financial Position

As at 31 December 2024

RMB'000

ASSETS	*Note XIV*	31 December 2024	31 December 2023
Current assets			
Cash and bank balances		**21,295,569**	19,640,835
Held-for-trading financial assets		**66,354**	63,368
Trade receivables	1	**2,872,095**	2,854,061
Advances to suppliers		**551,249**	574,398
Other receivables	2	**23,623,723**	18,985,581
Inventories		**–**	2,758
Contract assets		**588,734**	666,681
Current portion of non-current assets		**10,452,593**	10,800,000
Other current assets		**143,782**	149,127
Total current assets		**59,594,099**	53,736,809
Non-current assets			
Long-term receivables		**53,648,716**	43,541,609
Long-term equity investments	3	**105,332,868**	103,305,853
Other equity instrument investments		**408,721**	307,245
Fixed assets		**329,627**	352,035
Construction in progress		**298,706**	21,146
Right-of-use assets		**6,379**	3,200
Intangible assets		**178,554**	191,072
Long-term prepayments		**4,249**	6,494
Other non-current assets		**2,842,173**	2,411,623
Total non-current assets		**163,049,993**	150,140,277
TOTAL ASSETS		**222,644,092**	203,877,086

The Company's Statement of Financial Position (continued)

As at 31 December 2024

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note XIV*	31 December 2024	31 December 2023
Current liabilities			
Short-term loans		**2,900,000**	–
Trade payables		**7,462,582**	9,451,734
Contract liabilities		**703,869**	388,349
Employee benefits payable		**139,080**	138,035
Taxes payable		**9,973**	8,799
Other payables	4	**10,180,529**	14,427,368
Current portion of non-current liabilities		**888,427**	542,228
Other current liabilities		**504,364**	595,629
Total current liabilities		**22,788,824**	25,552,142
Non-current liabilities			
Long-term loans	5	**3,710,074**	3,734,276
Bonds payable		**5,995,194**	–
Lease liabilities		**3,799**	661
Long-term payables		**7,208,654**	3,030,202
Long-term employee benefits payable		**3,454**	4,904
Deferred income		**–**	4,050
Deferred tax liabilities		**49,470**	30,442
Total non-current liabilities		**16,970,645**	6,804,535
Total liabilities		**39,759,469**	32,356,677
Shareholders' equity			
Share capital	Note V. 41	**13,579,542**	13,579,542
Capital reserve		**46,843,032**	46,857,956
Other comprehensive income		**140,547**	64,440
Other equity instruments	Note V. 42	**64,167,509**	59,463,430
Special reserve		**–**	–
Surplus reserve	Note V. 46	**6,789,771**	6,789,771
Retained earnings		**51,364,222**	44,765,270
Total shareholders' equity		**182,884,623**	171,520,409
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**222,644,092**	203,877,086

The Company's Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

RMB'000

ITEM	*Note XIV*	For the year ended 31 December 2024	For the year ended 31 December 2023
Revenue	6	**9,413,114**	11,663,131
Less: Cost of sales	6	**8,439,019**	11,111,331
Taxes and surcharges		**2,056**	3,632
Selling and distribution expenses		**53,589**	436,400
General and administrative expenses		**1,071,647**	765,769
Research and development expenses		**30,962**	107,017
Finance costs	7	**(2,205,536)**	(2,285,681)
Including: Interest expenses		**575,551**	633,119
Interest income		**2,812,625**	2,903,756
Add: Other income		**12,363**	1,521
Investment income	8	**11,790,040**	10,171,449
Gains/(losses) on fair value changes		**2,986**	(7,672)
Impairment (losses)/gains on assets		**(5,592)**	9,584
Impairment of credit losses		**(7,484)**	(17,715)
Operating profit		**13,813,690**	11,681,830
Add: Non-operating income		**3,417**	199
Less: Non-operating expenses		**35,077**	9,353
Profit before tax		**13,782,030**	11,672,676
Less: Income tax expenses		**(6,341)**	(6,989)
Net profit		**13,788,371**	11,679,665
Classified by the continuity of operation			
Net profit from continuing operations		**13,788,371**	11,679,665
Net profit from discontinued operations		**–**	–
Other comprehensive income, net of tax		**76,107**	22,469
Other comprehensive income not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		**76,107**	22,469
Total comprehensive income		**13,864,478**	11,702,134

The Company's Statement of Cash Flows

For the year ended 31 December 2024

RMB'000

ITEM	*Note XIV*	For the year ended 31 December 2024	For the year ended 31 December 2023
1. Cash Flows from Operating Activities:			
Cash received from the sale of goods or rendering of services		**10,715,560**	12,005,801
Refunds of tax		**–**	69
Cash received from other operating activities		**13,312,372**	41,101,074
Subtotal of cash inflows from operating activities		**24,027,932**	53,106,944
Cash paid for goods and services		**11,021,539**	11,410,624
Cash paid to and on behalf of employees		**489,777**	482,104
Cash paid for all taxes		**60,378**	39,229
Cash paid for other operating activities		**23,572,120**	34,757,589
Subtotal of cash outflows from operating activities		**35,143,814**	46,689,546
Net cash flows (used in)/generated from operating activities	9(1)	**(11,115,882)**	6,417,398
2. Cash Flows from Investing Activities:			
Cash received from disposal of investments		**–**	28,471
Cash received from investment income		**8,438,098**	8,551,891
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**16**	9
Subtotal of cash inflows from investing activities		**8,438,114**	8,580,371
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		**254,614**	14,976
Cash paid for acquisition of investments		**1,977,740**	1,059,360
Net increase in cash and bank balances with title restrictions		**25,950**	25,745
Subtotal of cash outflows from investing activities		**2,258,304**	1,100,081
Net cash flows generated from investing activities		**6,179,810**	7,480,290

The Company's Statement of Cash Flows (continued)

For the year ended 31 December 2024

RMB'000

ITEM	*Note XIV*	**For the year ended 31 December 2024**	For the year ended 31 December 2023
3. Cash Flows from Financing Activities:			
Cash received as capital contributions		**16,489,155**	7,192,399
Cash received from borrowings		**14,253,800**	1,531,474
Cash received from issuing bonds		**5,998,500**	6,000,000
Subtotal of cash inflows from financing activities		**36,741,455**	14,723,873
Cash repayments for borrowings		**10,485,681**	13,134,333
Cash paid for distribution of dividends or profits and for interest expenses		**7,613,344**	6,442,726
Cash paid for other financing activities		**11,805,868**	7,734,004
Subtotal of cash outflows from financing activities		**29,904,893**	27,311,063
Net cash flows generated from/(used in) financing activities		**6,836,562**	(12,587,190)
4. EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS		**15,793**	(3,973)
5. NET INCREASE IN CASH AND CASH EQUIVALENTS		**1,916,283**	1,306,525
Add: Opening Balance of Cash and Cash Equivalents	9(2)	**20,064,143**	18,757,618
6. CASH AND CASH EQUIVALENTS AT END OF THE YEAR	9(2)	**21,980,426**	20,064,143

The Company's Statement of Changes in Equity

For the year ended 31 December 2024

RMB'000

ITEM	For the year ended 31 December 2024							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2023	13,579,542	59,463,430	46,857,956	64,440	–	6,789,771	44,765,270	171,520,409
II. Increase/(decrease) during the year	–	4,704,079	(14,924)	76,107	–	–	6,598,952	11,364,214
(I) Total comprehensive income	–	–	–	76,107	–	–	13,788,371	13,864,478
(II) Capital contributions and withdrawals by shareholders	–	4,704,079	(14,924)	–	–	–	–	4,689,155
1. Capital contributions and withdrawals by other equity instruments holders *(Note V.42)*	–	4,704,079	(14,924)	–	–	–	–	4,689,155
(III) Profit distribution	–	–	–	–	–	–	(7,189,419)	(7,189,419)
1. Appropriation to statutory surplus reserve	–	–	–	–	–	–	–	–
2. Distribution to shareholders *(Note V.47)*	–	–	–	–	–	–	(7,189,419)	(7,189,419)
(IV) Special reserve *(Note V.45)*	–	–	–	–	–	–	–	–
1. Appropriated in current period	–	–	–	–	183,417	–	–	183,417
2. Used in current period	–	–	–	–	(183,417)	–	–	(183,417)
III. As at 31 December 2024	13,579,542	64,167,509	46,843,032	140,547	–	6,789,771	51,364,222	182,884,623

The Company's Statement of Changes in Equity (continued)

For the year ended 31 December 2024

RMB'000

ITEM	For the year ended 31 December 2023							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2022	13,579,542	59,959,677	46,869,310	41,971	–	6,789,771	39,435,692	166,675,963
(I) Changes in accounting policies	–	–	–	–	–	–	184	184
II. As at 1 January 2023	13,579,542	59,959,677	46,869,310	41,971	–	6,789,771	39,435,876	166,676,147
III. Increase/(decrease) during the year	–	(496,247)	(11,354)	22,469	–	–	5,329,394	4,844,262
(I) Total comprehensive income	–	–	–	22,469	–	–	11,679,665	11,702,134
(II) Capital contributions and withdrawals by shareholders	–	(496,247)	(11,354)	–	–	–	–	(507,601)
1. Capital contributions and withdrawals by other equity instruments holders *(Note V.42)*	–	(496,247)	(11,354)	–	–	–	–	(507,601)
(III) Profit distribution	–	–	–	–	–	–	(6,350,271)	(6,350,271)
1. Appropriation to statutory surplus reserve	–	–	–	–	–	–	–	–
2. Distribution to shareholders *(Note V.47)*	–	–	–	–	–	–	(6,350,271)	(6,350,271)
(IV) Special reserve *(Note V.45)*	–	–	–	–	–	–	–	–
1. Appropriated in current year	–	–	–	–	194,411	–	–	194,411
2. Used in current year	–	–	–	–	(194,411)	–	–	(194,411)
IV. As at 31 December 2023	13,579,542	59,463,430	46,857,956	64,440	–	6,789,771	44,765,270	171,520,409

Notes to the Financial Statements

For the year ended 31 December 2024

I. CORPORATE INFORMATION

China Railway Construction Corporation Limited (the "Company") is a joint stock limited company with limited liability registered in Beijing in the People's Republic of China (the "PRC" or "Mainland China") on 5 November 2007. The Company's shares have been listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The registered address of the Company's head office is located at East No. 40 Fuxing Road, Haidian District, Beijing, PRC.

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") mainly consist of construction operations, plan, design and consultancy operations, trade and logistics, manufacturing operations and real estate development operations.

The Company's parent and ultimate holding company is China Railway Construction Corporation (referred to as the "Controlling Shareholder"), a company registered in PRC.

These financial statements have been approved and authorised for issue by the board of directors of the Company on 28 March 2025.

The scope of consolidated financial statements shall be determined on the basis of control. Refer to Note VI for the changes of consolidation scope for the year.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared by the Group on a going-concern basis in accordance with *Accounting Standards for Business Enterprises* and other relevant provisions issued and revised subsequently by the Ministry of Finance of the People's Republic of China ("Ministry of Finance") (collectively referred to as "Accounting Standards for Business Enterprises"). In addition, the financial statements are also disclosed in accordance with *Information Disclosure and Presentation Rules for Companies Public offering Securities No. 15 – General Provisions on Financial Reporting* (revised by China Securities Regulatory Commission in 2023).

In accordance with the *Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong* issued by the Hong Kong Stock Exchange in December 2010, the corresponding amendments to the Hong Kong Listing Rules, as well as the relevant documents issued by the Ministry of Finance and China Securities Regulatory Commission ("CSRC"), the Company ceased to provide financial reports prepared in accordance with *Accounting Standards for Business Enterprises and International Financial Reporting Standards separately* to A-share shareholders and H-share shareholders from the year of 2011 with the approval of the Company's general meeting of shareholders. Instead, the Company provides all shareholders with financial reports solely prepared in accordance with *China Accounting Standards*, taking into account the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in preparing such financial reports.

The Group has adopted accrual basis for accounting measurement. The financial statements have been presented under the historical cost, except for certain financial assets which have been measured at fair value. If the assets are impaired, the corresponding provisions for impairment shall be made according to relevant requirements.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

According to the characteristics of its production and operation, the Group formulated a series of specific accounting policies and accounting estimates, including the impairment of receivables and contract assets, the measurement of inventories, the provisions for decline in value of inventories, the depreciation methods and the depreciation rates of the fixed assets, the amortisation methods of the intangible assets, the method of long-term assets impairment testing, and the policy for revenue recognition, etc.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements present fairly and fully the financial position of the Group and the Company as at 31 December 2024 and the consolidated and the Company's financial performance, the consolidated and the Company's changes in equity and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

2. Accounting period

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The overseas subsidiaries of the Company may determine their own functional currencies based on their specific economic environments. The Group adopts RMB to prepare its financial statements.

4. Determination method for materiality criterion and basis for selection

The Group applies the principle of materiality to prepare and present financial statements. An item is material if it is reasonably expected that the omission or misstatement of the item in the financial statements would affect the economic decision made by the user accordingly. When judging the materiality, the Group determined whether the item is material from two aspects, the nature of the item (whether it arises from the Group's normal activities, whether it materially affects the Group's financial position, financial performance, and cash flows, etc) and the amount of the item (the proportion of the amount to the Group's key financial indicator, including revenue, cost of sales, net profit, total assets, total liabilities, total shareholders' equity or the proportion to the amount of specific line item).

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

5.1 Business

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs, and its costs or revenue generated can be calculated independently.

The sets of activities and assets acquired in the combination can be considered as business only when the sets include an input and a substantive process that together significantly contribute to the ability to create outputs.

When no output created on the acquisition date, the acquired processes are considered substantive by the Group if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes, and including necessary materials, rights, other necessary economic resources and other necessary inputs, for example techniques, research and development projects, real estates, mining equity, etc.

When outputs created on the acquisition date, the acquired processes are considered substantive by the Group if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant costs.

When judging the sets of activities and assets acquired in the combination can be considered as business, the Group considers that it can be managed and operated as a business from the perspective of market participants, rather than judging by the management intention or the operating history of the acquiree.

5.2 Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory. For a business combination involving entities under common control, the party that, on the combination date, obtains control of another entity participating in the combination is the acquirer, while the other entity participating in the combination is a party being acquired. The combination date is the date on which the acquirer effectively obtains control of the party being acquired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations (Continued)

5.2 Business combinations involving entities under common control (Continued)

Assets and liabilities (including the goodwill recognised by the ultimate controlling party in acquisition of the acquiree) that are obtained by the acquirer in a business combination shall be measured at their carrying amounts at the combination date as recorded by the ultimate controlling party. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of the shares issued as consideration) is adjusted to share premium under capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss in the year in which they are incurred.

5.3 Business combinations involving entities not under common control

A business combination involving entities not under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the combination. For a business combination involving entities not under common control, the party that, on the acquisition date, obtains control of another entity participating in the combination is the acquirer, while the other entity participating in the combination is the acquiree. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The acquirer shall measure the acquiree's identifiable assets, liabilities and contingent liabilities acquired in the business combination at their fair values on the purchase date.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations (Continued)

5.3 Business combinations involving entities not under common control (Continued)

Goodwill is measured at cost being the excess of the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree over the acquirer's interest in the fair value of the acquiree's net identifiable assets. Goodwill is subsequently measured at cost deducted by accumulated provision. If the aggregate of the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree is lower than the acquirer's interest in the fair value of the acquiree's net identifiable assets, the difference is, after reassessment of the fair value of each identifiable asset, liability and contingent liability acquired from the acquiree and the fair value of the consideration transferred (or the fair value of the equity securities issued) and any fair value of the acquirer's previously held equity interest in the acquiree, recognised in profit or loss.

If either the fair values of identifiable assets, liabilities and contingent liabilities acquired in a combination or the cost of business combination can be determined only provisionally by the end of the period in which the business combination was affected, the acquirer recognises and measures the combination using those provisional values. Any adjustments to those provisional values within twelve months after the acquisition date are treated as if they had been recognised and measured on the acquisition date.

6. Consolidated financial statements

The consolidation scope of the consolidated financial statements is determined on the basis of control. Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes of the above elements of the definition of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (Continued)

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

All intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "non-controlling interests" in the consolidated statement of financial position within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to non-controlling interests is presented as "net profit attributable to non-controlling interests" in the consolidated statement of profit or loss and other comprehensive income below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess amount is still allocated against non-controlling interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve under shareholders' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (1) the aggregate of the consideration received on disposal and the fair value of any retained interest and (2) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognised as investment income in the period in which control is lost. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (Continued)

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights related to administrative tasks only. The relevant activities of a structured entity are directed by means of contractual agreements. When the Group acts as an asset manager in a structured entity, the Group is required to determine whether it is exercising decision-making rights as a principal or an agent in the structured entities. If the Group (as an asset manager) is only acting as an agent, it exercises decision-making rights on behalf of the principal (other investors of the structured entities) and does not control the structured entities. If the Group (as an asset manager) is exercising decision-making rights on its own behalf, it is the principal and controls the structured entities.

7. Joint arrangement and joint operations

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

In respect of joint operations, the Group as a party of joint operation recognises its interest in a joint operation: (1) its assets held individually and its share of assets held jointly; (2) its liabilities assumed individually and its share of liabilities assumed jointly; (3) its revenue from the sale of its share of the output arising from the joint operation; (4) its share of the revenue from the sale of the output by the joint operation; and (5) its expenses incurred individually and its share of expenses incurred jointly.

The Group measures its joint ventures under equity method, please refer to Note III. 13.3.2.

8. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible into known amounts of cash, and which are subject to an insignificant risk of changes in value.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Foreign currency transactions and foreign currency translations

The Group translates the amounts of foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded using the functional currency spot exchange rate ruling at the dates of the transactions. Monetary items denominated in foreign currencies are translated into functional currencies at the spot exchange rate ruling at the balance sheet date. All differences are recognised in profit or loss, except those related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation for the purpose of acquisition, construction or production of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currencies using the foreign spot exchange rates at the transaction dates and do not change the amounts of functional currency.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange spot rate at the date the fair value is determined; the exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates functional currencies of overseas financial statements into RMB financial statements. All assets and liabilities are translated at the spot exchange rates ruling at the balance sheet date; the shareholders' equity, with the exception of retained earnings, is translated at the spot exchange rates ruling at the transaction dates; all items in the statement of profit or loss and other comprehensive income and items reflect amounts of profit distribution are translated at the spot exchange rates at the transaction dates. The undistributed profit at the beginning of the year/period equals the translated undistributed profit of the previous year/period; the undistributed profit at the end of the year/period is calculated according to the translated profit distribution items. Exchange fluctuations arising from the translations mentioned above are recognised as other comprehensive income. When an overseas business is disposed of, the exchange fluctuation reserve of the overseas business will be transferred to profit or loss in the same period.

Foreign currency cash flows and cash flows of overseas subsidiaries are translated into RMB at the spot exchange rates ruling at the dates of the cash flows. The effect of changes in exchange rates on cash and cash equivalents are presented as a reconciled item separately in the statement of cash flows.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument. For the financial assets that are purchased and sold under regular ways, the assets to be acquired and the liabilities to be assumed are recognised on the trade days, and the assets sold are derecognised on the trade days.

On initial recognition, financial assets and financial liabilities are recognised at fair value. For financial assets and financial liabilities at fair value through profit or loss ("FVTPL"), relevant transaction costs are directly recognised in profit or loss; transaction costs relating to other categories of financial assets and financial liabilities are included in the value initially recognised. For trade receivables initially recognised that do not contain a significant financing component or a financing component included in the contracts less than one year which are not considered, which are within the scope of *Accounting Standard for Business Enterprises No. 14 – Revenue* (ASBE No. 14), transaction prices shall be adopted on initial recognition.

The effective interest method is a method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation of the interest income or interest expense in profit or loss over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates future cash flows by considering all the contractual terms of the financial asset or financial liability (for example, prepayment, extension, call option or similar options) but shall not consider the expected credit losses ("ECL").

The amortised cost of a financial asset or a financial liability is the amount of a financial asset, or a financial liability initially recognised net of principal repaid, plus or less the cumulative amortised amount arising from amortisation of the difference between the amount initially recognised and the amount at the maturity date using the effective interest method, net of cumulative credit loss allowance (only applicable to financial assets).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortised cost, at fair value through other comprehensive income ("FVTOCI") or at FVTPL.

10.1.1 Financial assets measured as at amortised cost

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model of which objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial assets measured at amortised cost. The Group's financial assets measured at amortised cost including cash and bank balances, bills receivable, trade receivables, other receivables, loans and advances to customers, long-term receivables due within one year that are presented under non-current assets due within one year and debt investments due within one year that are presented under non-current assets due within one year.

The above financial assets are subsequently measured at amortised cost using the effective interest method. Gain or loss arising from impairment or derecognition is recognised in profit or loss.

Interest income from financial assets at amortised cost is recognised based on the effective interest method. The Group calculates interest income by applying the effective interest rate to the gross carrying amount of the financial asset, except:

(1) For the purchased or internally generated credit-impaired financial assets, the Group recognises interest income based on amortised cost and credit-adjusted effective interest rate of such financial assets since initial recognition.

(2) For the purchased or internally generated financial assets without credit-impairment but subsequently becoming credit-impaired, the Group subsequently recognises their interest income based on amortised costs and effective interest rate of such financial assets. If the credit impairment no longer exists due to an improvement in credit risk of the financial instruments subsequently and such improvement is relevant to some events occurred after applying the policies mentioned above, the Group recognises interest income based on applying effective interest rate to gross carrying amount of the financial assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

10.1.2 Financial assets classified as at FVTOCI

Financial assets that meet the following conditions are subsequently measured at FVTOCI: the financial asset is held within a business model of which objective is achieved by both collecting contractual cash flows and selling; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified as at FVTOCI are presented by the Group as other debt investments (non-current assets due within one year and are present as Current portion of non-current assets) and receivables at FVTOCI in financial statements.

Financial assets classified as at FVTOCI's relevant loss/gain on impairment and interest income based on effective interest rate are recognised in profit or loss. Except for the above circumstances, changes in fair value of such financial assets are all recognised in other comprehensive income. Such financial assets' changes that are recognised in profit or loss in each period equal to their changes that are recognised in profit or loss in each period as they are measured at amortised cost from acquisition date. Upon derecognition of the financial assets, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in profit or loss.

10.1.3 Financial assets designated as at FVTOCI

On initial recognition, the Group may irrevocably designate non-trading equity instruments as financial assets at FVTOCI on an individual basis. Financial assets designated as at FVTOCI are presented by the Group as other equity instrument investments in financial statements.

The fair value changes of such financial asset are recognised in other comprehensive income. Upon derecognition of the financial asset, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings. During the period for which the Group holds the investments in equity instruments, dividend income is recognised in profit or loss for the period when the Group has right to collect dividend, the economic benefits associated with dividend will probably flow into the Group and the amount of dividend can be reliably measured.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.1 Classification and measurement of financial assets (Continued)

10.1.4 Financial assets measured at FVTPL

Any financial assets that do not qualify for amortised cost measurement or measurement at FVTOCI or designated at FVTOCI are classified into financial assets at FVTPL. FVTPL are presented by the Group as held-for-trading financial assets and other non-current financial assets items in the statement of financial position, based on its liquidity.

The above financial assets are subsequently measured at fair value. Gains or losses arising from fair value changes and dividends and interest income in relation to such financial assets are recognised in profit or loss for the period.

10.2 Impairment of financial assets

The Group recognises loss allowance for financial assets measured as at amortised cost, financial assets classified as at FVTOCI, lease receivables, contract assets and financial guarantee contracts based on ECL.

The Group measures loss allowance for contract assets, trade receivables and lease receivables based on the amount of full lifetime ECL.

For other financial instruments, except for the purchased or internally generated credit-impaired financial assets, at each balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has not increased significantly since initial recognition, the Group recognises loss allowance based on 12-month ECL of the financial instrument. If the credit risk of the above financial instruments has increased significantly, the Group measures loss based on the amount of ECL for their full lifetime. The increase or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment. Except for financial assets classified as at FVTOCI, allowance for credit losses decreases the gross carrying amount of financial assets. For financial assets classified as at FVTOCI, the Group recognises credit loss allowance in other comprehensive income and does not decrease the carrying amount of such financial assets in the statement of financial position.

The Group measured loss allowance at the full lifetime ECL of the financial instruments in the prior accounting period. However, at each balance sheet date, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at 12-month ECL at each balance sheet date. Relevant reversal of loss allowance is included in profit or loss for the current period as gain on impairment.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial assets (Continued)

10.2.1 Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group uses available, reasonable and supportable forward-looking information, to compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. For financial guaranteed contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly: Whether the actual or expected operating results of the debtor have changed significantly; Whether supervisory, economic or technical environment for the debtor has significant detrimental changes; Whether value of collateral against debt mortgage or guarantee/ credit enhancement provided by a third party has changed significantly. It is expected that the aforesaid changes are economic motives that will lower the debtor's repayment based on contractual stipulation or have an impact on probability of default; Whether the debtor's expected performance and repayment activities have changed significantly; Whether the Group's financial instrument management measures have changed, etc.

At the balance sheet date, the Group assumes that credit risk of the financial instrument has not increased significantly since initial recognition when the Group determines that the financial instrument is only exposed to low credit risk. A financial instrument is determined to have low credit risk if i) it has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the debtor to fulfil its contractual cash flow obligations.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial assets (Continued)

10.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes observable data about the following events:

(1) Significant financial difficulty of the issuer or debtor;

(2) A breach of contract by the debtor, such as a default or overdue in interest or principal payments;

(3) The creditor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession that the creditor would not otherwise consider;

(4) It becomes probable that the debtor will enter bankruptcy or other financial reorganisations;

(5) Other objective evidence indicating the impairment of financial assets.

10.2.3 Measurement and recognition of ECL

The Group recognises credit losses for lease receivables and financial guarantee contracts on an individual basis. For trade receivables and contract assets, the Group individually assesses credit losses for those individually significant and credit-impaired and uses provision matrix to assess credit losses for the remaining. For other financial assets measured as at amortised cost and financial assets measured at FVTOCI, the Group assesses credit losses on an individual basis for those individually significant and credit-impaired or those individually significant and their credit risk has increased significantly since initial recognition but not credit-impaired, besides, the Group uses provision matrix to assess credit losses for the remaining. The Group classifies financial instruments into different groups based on credit risk characteristics. Credit risk characteristics include type of financial instruments, credit risk rating, contractual billing period and industry of debtor etc.

ECL of relevant financial instruments is recognised based on the following methods:

(1) For a financial asset, credit loss is the present value of difference between the contractual cash flows and the cash flows that the Group expects to receive.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.2 Impairment of financial assets (Continued)

10.2.3 Measurement and recognition of ECL (Continued)

(2) For a lease receivable, credit loss is the present value of difference between the contractual cash flows and the cash flows that the Group expects to receive.

(3) For a financial guarantee contract, credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

(4) For credit-impaired financial assets other than the purchased or internally generated of credit-impaired financial assets at the balance sheet date, credit loss is the difference between the gross carrying amount of financial assets and the present value of expected future cash flows discounted at original effective interest rate.

The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognised by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance sheet date.

10.2.4 Reduction in financial assets

The Group directly reduces the gross carrying amount of financial assets when ceasing to reasonably expect that the contractual cash flow of such financial assets may be fully or partially recoverable. Such reduction comprises derecognition of relevant financial assets.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.3 Transfer of financial assets

The Group derecognises a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferee; or (3) although the financial asset has been transferred and the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the Group has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it retains control of the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability. Relevant liabilities are measured using the following methods:

(1) For transferred financial assets carried at amortised cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortised cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortised cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at FVTPL.

(2) For transferred financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred at the date of derecognition and the consideration received from the transfer; and (2) the accumulated changes in fair value initially recorded in other comprehensive income is recognised in profit or loss. While regarding non-trading equity instruments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.3 Transfer of financial assets (Continued)

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair values of those parts at the date of transfer. The difference between (1) the consideration received from the transfer; and (2) the cumulative changes in fair value previously recognised in other comprehensive income allocated to the part derecognised plus the carrying amount allocated to the part derecognised is recognised in profit or loss. If the Group transfers a financial asset that belongs to non-trading equity instrument investments designated as at FVTOCI, the cumulative gains or losses previously recognised in other comprehensive income allocated to the part derecognised are transferred and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognise the transferred financial asset in its entirety and recognises the consideration received as a liability.

10.4 Classification and measurement of financial liabilities

The Group's financial instruments or their components are, on initial recognition, classified into financial liabilities or equity instruments on the basis of contractual terms for issuance and the economic substance reflected by such terms and in combination with definitions of financial liability and equity instruments, instead of only on the basis of the legal form.

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

10.4.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated as at FVTPL.

Held-for-trading financial liabilities are subsequently measured at fair value, any gains or losses arising from changes in fair value and any dividend or interest income earned on the financial liabilities are recognised in profit or loss.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.4 Classification and measurement of financial liabilities (Continued)

10.4.2 Other financial liabilities

The Group shall classify all financial liabilities as subsequently measured at amortised cost, except for financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, gains or losses arising from derecognition, or amortisation are recognised in profit or loss for the period.

10.4.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs when a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL are measured at the higher of: (1) amount of loss provision; and (2) the amount initially recognised less cumulative amortisation amount during the guarantee period.

10.5 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) when the underlying present obligation (or part of it) is discharged. An agreement between the Group (the debtor) and the creditor to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

10.6 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognised as changes of equity. Changes of fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group recognises the distribution to holders of the equity instruments as distribution of profits, dividends paid do not affect total amount of shareholders' equity.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.7 Derivatives and embedded derivatives

Derivative financial instruments related to the Group include option contracts. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently re-measured at fair value. The changes in fair value are recognised in profit or loss.

For hybrid contract constituted by embedded derivatives and host contract, if the host contract is a financial asset, the embedded derivative is not separated from the hybrid contract, and the hybrid contract shall be taken as a whole to apply to the accounting standards for the classification of financial assets.

If the host contract included in the hybrid contract is not a financial asset and meets all of the following criteria, the embedded derivative shall be separated from the hybrid contract by the Group and treated as a standalone derivative.

(1) The economic characteristics and risks of the embedded derivative are not highly related to the economic characteristics and risks of the host contract;

(2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and

(3) The hybrid instrument is not designated as a financial asset or financial liability at FVTPL.

If the embedded derivative is separated from the hybrid contract, the host contract shall be accounted for in accordance with the appropriate standards. If the Group is unable to measure reliably the fair value of an embedded derivative on the basis of its terms and conditions, the fair value of the embedded derivative is the difference between the fair value of the hybrid contract and the fair value of the host. If the Group is still unable to measure the fair value of the embedded derivative separately either at acquisition or at a subsequent reporting date after the above methods are applied, it designates the entire hybrid contract as a financial instrument at FVTPL.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

10.8 Convertible bonds

Convertible bonds issued by the Group that contain liability and conversion option are classified separately into respective items on initial recognition. Conversion option that is settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is accounted for as equity rather than conversion option derivatives.

Convertible bonds are initially recognised at fair value at the issue date. If the convertible bonds include equity instruments, the fair value of liability component of the convertible bonds is determined based on the market value of similar bonds which have no conversion option. The balance of issue price and the fair value of liability is the value of conversion option and is recognised in shareholders' equity. The liability and conversional-embedded derivatives of the convertible bonds which include conversional embedded derivatives are initially recognised at fair value at the issue date.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The derivative financial instruments are measured at fair value with changes in fair value recognised in profit or loss. The conversion option classified as equity remains in equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs incurred for the issue of the convertible bonds are allocated to the liability, equity and derivative financial instruments components in proportion to their respective fair values. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the period of the convertible bonds using the effective interest method. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the derivative financial instruments are charged to profit or loss.

10.9 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset, and the net amount is presented in the statement of financial position. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the statement of financial position and shall not be offset.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Inventories

Inventories include raw materials, work in progress, finished goods, turnover materials, properties under development and completed properties held for sale. Costs of properties under development and completed properties held for sale mainly consist of the acquisition cost of land use rights, expenditures of land development, construction costs, infrastructure costs, costs of supporting facilities and other relevant costs.

Inventories are initially measured at actual cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs. The actual cost of inventories transferred out is determined using the first-in first-out, weighted average or specific identification method. Turnover materials include low value consumables and packing materials. Low value consumables and packing materials are amortised using immediate write-off, and other turnover materials are amortised based on the number of times that they are estimated to be used.

Inventories are accounted for using the perpetual inventory system.

At each balance sheet date, inventories shall be measured at the lower of cost and net realisable value. If the cost is in excess of net realisable value, provision for inventories is recognised in the statement of profit or loss. When the circumstances that previously caused inventories to be written down below cost no longer exist and the net realisable value is higher than the carrying amount, the original amount of the write-down is reversed and charged to the profit or loss for the current period.

Net realisable value is the estimated selling price under normal business terms deducted by the estimated costs to completion, the estimated selling expenses and related taxes. Provision is considered on a category basis for inventories in large quantity and with relatively low unit prices and on an individual basis for all other inventories.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Held-for-sale assets

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction (including an exchange of nonmonetary assets with commercial substance) rather than through continuing use.

This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognised in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognised after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. The impairment loss of assets recognised before being classified to held-for-sale category is not reversed.

Non-current assets classified as held-for-sale or disposal groups are not depreciated or amortised, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognised.

13. Long-term equity investments

13.1 Basis for determining joint control and significant influence

Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. Joint control is the contractually agreed sharing of control over an economic activity and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

13.2 Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree on the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred, and liabilities assumed adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition on the date of combination. For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not under common control, this should be dealt with for whether this belongs to 'package deal': if it belongs to 'package deal', transactions will be dealt as one transaction to acquire control. If it does not belong to 'package deal', the investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. When the equity held was accounted for under equity method, relevant other comprehensive income is not accounted temporarily; when the equity held was accounted for other investments in equity instruments, the difference between the fair value and carrying amount, together with the cumulative changes in fair value recognised in other comprehensive income are included in retained earnings for the current period.

The intermediary fees incurred by the absorbing party or acquirer such as audit, legal, valuation and consulting fee, etc. and other related administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee due to additional investment, the cost of long-term equity investments is the sum of the fair value of previously held equity investments determined in accordance with *Accounting Standard for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement* (ASBE No. 22) and the additional investment cost.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

13.3 Subsequent measurement and recognition of profit or loss

13.3.1 Long-term equity investment accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

13.3.2 Long-term equity investment accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence, and a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognised in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognises its share of the net profit or loss and other comprehensive income of the investee for the period as investment income or other comprehensive income respectively for the period. Meanwhile, the carrying amount of long-term equity investments will be adjusted accordingly; for the share of the investee's profit or cash dividends declared by the investee, the carrying amount of long-term equity should be decreased accordingly; for changes in owner's equity rather than the investee's net profit or loss, other comprehensive income and profit distribution, carrying amount of long-term equity investments should be adjusted and included in capital reserve. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investee adopts different accounting policies and accounting period with the Company's, the financial statements are adjusted in accordance with the Company's accounting policies and accounting period, and then investment income and other comprehensive income are recognised. Unrealised profits or losses resulting from the Group's transactions with its associates and joint ventures and contributions or sales of assets that do not constitute business are recognised as investment income or loss to the extent that those attributable to the Group's equity interest are eliminated. However, unrealised profit or loss resulting from the Group's transactions with its investee which represent impairment losses on the transferred assets are not eliminated.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

13.3 Subsequent measurement and recognition of profit or loss (Continued)

13.3.2 Long-term equity investment accounted for using the equity method (Continued)

The Group discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

13.4 Disposal of long-term equity investments

For disposal of long-term equity investments, the difference between the carrying amount and the consideration shall be recorded through profit or loss in the current period. For a long-term equity investment accounted for using the equity method, if remaining shares after the disposal are still accounted for using the equity method, other comprehensive income is accounted on the basis of directly disposed related assets and liabilities of investee, recognised in profit or loss of current period and carried forward proportionately; other shareholders' equity recognised from changes of shareholders' equity except for net profit or loss, other comprehensive income and profit distribution is recognised in profit or loss of current period and carried forward proportionately. For a long-term equity investment accounted for using the cost method, if remaining shares after the disposal are still accounted for using the cost method, other comprehensive income recognised before controlling the investee according to equity method or recognition and measurement of financial instruments, is accounted for on the basis of directly disposed related assets and liabilities of the investee, and recognised in profit or loss for the period and carried forward proportionately; changes of shareholders' equity except for net profit or loss, other comprehensive income and profit distribution are recognised in profit or loss for the current period and carried forward proportionately.

The Group loses control on investee due to disposal of part of shares, when preparing separate financial statement, remaining shares after disposal which can make joint control or significant influence on investee, are accounted under equity method, and are adjusted as they are accounted under equity method from acquisition date; if remaining shares after disposal cannot make joint control or significant influence on investee, they are accounted according to recognition and measurement of financial instrument, and the difference between fair value on date of losing control and carrying amount is recognised in profit or loss for the current period.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Investment properties

Investment property is property held to earn rentals or for capital appreciation or for both purposes. It includes land use rights that are leased out; land use rights held for transfer upon capital appreciation; and buildings that are leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment properties and adopts a depreciation or amortisation policy for the investment property which is consistent with that for buildings or land use rights.

When an investment real estate is disposed of or permanently retired from use and no economic benefits are expected from its disposal, the investment real estate shall be derecognised.

When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

When the Group has evidence indicating the self-occupied houses and buildings are converted to leasing or leasing out its properties held for sale under operating leases, the carrying amount of such fixed assets, intangible assets or inventories before the conversion are transferred to investment properties.

When the Group has evidence indicating the property held to earn rentals or for capital appreciation are converted to self-occupation or the property intended for operating lease purpose are open for sale, the carrying amount of such properties before the conversion are transferred to fixed assets, intangible asset or inventories.

15. Fixed assets

A fixed asset is a tangible asset of which useful life exceeds one accounting year and which is held for production of goods, rendering services, offering leases or operation and management. A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditure incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditure shall be recognised in profit or loss for the period in which it is incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets (Continued)

Fixed assets are initially measured at cost. The purchase cost of a fixed asset comprises its purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use, such as transportation costs and installation expenses. If the payment for a purchased fixed asset is deferred beyond the normal credit terms, the cost of the fixed asset shall be determined based on the present value of the instalment payments. The difference between the actual payment and the present value of the purchase price is recognised in profit or loss over the credit period, except for such difference that is capitalised according to *Accounting Standard for Business Enterprises No. 17 – Borrowing Costs* (ASBE No. 17).

The accelerated depreciation method is adopted for depreciation of the fixed assets specifically used for research and development. The unit of production method is adopted for the depreciation of part of the large-scaled construction equipment. For other fixed assets, the straight-line method is adopted.

For fixed assets depreciated with the straight-line method, the estimated useful lives, estimated residual value rates and annual depreciation rates by category are as follows:

Category	Estimated residual value rates	Useful lives	Annual depreciation rates
Buildings	5%	20-35 years	2.71%-4.75%
Machinery	5%	10-25 years	3.80%-9.50%
Vehicles	5%	5-10 years	9.50%-19.00%
Production equipment	5%	5-10 years	9.50%-19.00%
Measuring and testing equipment	5%	5 years	19.00%
Others	5%	3-5 years	19.00%-31.67%

Where the individual component parts of a fixed asset have different useful lives or provide benefits to the enterprise in different patterns, different depreciation rates are applied.

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life and estimates net residual value of a fixed asset and the depreciation method applied at least at the end of each year, makes adjustments and accounts for any change as a change in an accounting estimate when necessary.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Construction in progress

Construction in progress is recognised based on the actual construction expenditures incurred. It consists of all types of expenditures necessarily to be incurred, capitalised borrowing costs on related borrowings before the asset is ready for its intended use, and other related expenditures during the period of construction.

The timing and criteria of construction in progress to be ready for its intended use are as follows:

Buildings	completion and acceptance
Machinery and equipment	completion of installation and acceptance

17. Borrowing costs

Borrowing costs are interest and other costs arising from the Group's borrowings. Borrowing costs include interest, amortisation of discounts or premiums, ancillary expenses and exchange differences arising from foreign currency borrowings.

Borrowing costs directly attributable to the construction or production of qualifying assets are capitalised and other borrowing costs are recognised as expenses. A qualifying asset is defined as a fixed asset or inventory that necessarily takes a substantially long period of time to get ready for its intended use or sale.

Capitalisation of borrowing costs commences only when all of the following conditions are satisfied:

(1) expenditures for the asset have incurred;

(2) borrowing costs have incurred; and

(3) activities relating to the acquisition, construction or production of the asset that are necessary to bring the asset to get ready for its intended use or sale have commenced.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised as expenses in the period in which they are incurred.

During the capitalisation period, the amount of interest to be capitalised for each accounting period shall be determined as follows:

(1) for specific borrowings, the borrowing costs eligible for capitalisation are the actual borrowing costs incurred during the current period deducted by any temporary interest or investment income; and

(2) for general borrowings, the borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the capital expenditure that accumulated capital expenditures exceed the specific borrowings.

Capitalisation of borrowing costs is suspended during extended periods in which the acquisition or construction of a fixed asset is interrupted abnormally, and the interruption lasts for more than three months, until the acquisition or construction is resumed. Borrowing costs incurred during the suspension period are recognised as expenses until the acquisition or construction of a fixed asset is resumed.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets

The Group's intangible assets include land use rights, concession rights, software licenses, mining rights and others.

An intangible asset shall be recognised only when it is probable that the related economic benefits will flow to the Group and the costs of which can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination involving entities not under common control with a fair value that can be measured reliably are recognised separately as intangible assets and measured initially at fair value at the date of acquisition.

The useful lives of intangible assets are assessed based on estimated economic benefit periods. Those intangible assets without foreseeable economic benefit periods are classified as intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortised over the useful lives on the traffic volume basis, straight-line basis or unit of production basis. The Group reviews the useful lives and the amortisation method of intangible assets with finite useful lives, and adjusts if appropriate, at least at each year end.

18.1 Land use rights

Land use rights represent costs incurred for a certain lease period of land.

The Group accounts for its land use rights as intangible assets. The land use rights of self-developed buildings including plants are measured as intangible assets and buildings are measured as fixed assets. With respect to the land use rights purchased together with buildings, the acquisition cost is allocated between the two parts proportionately, or otherwise, is wholly accounted for as fixed assets.

Land use rights of the Group are amortised on the straight-line basis according to the useful lives approved in the obtained land use certificates.

18.2 Concession rights

The Group engages in certain service concession arrangements in which the Group carries out construction work (such as turnpike highways and other construction works) for the granting authority and receives in exchange a right to operate the assets concerned in accordance with the pre-established conditions set by the granting authority, or the Group purchases the concession rights directly. The assets under the concession arrangements are accounted for according to their arrangement nature, and details are set out in Note III.34.

The amortisation approach, either the traffic volume method or the straight-line method, should be selected for concession operation projects based on the pattern in which the asset's future economic benefits are expected to be realised at the commencement of operations.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets (Continued)

18.3 Software licenses

The software licenses are recorded at the price actually paid upon acquisition and are amortised equally over the estimated useful life of one to ten years.

18.4 Mining rights

Mining rights are stated at cost incurred to obtain the mining license. Amortisation is calculated in adoption of the unit of production method based on proved mining reserves.

18.5 Development expenditure

Collection scope of R&D expenditure includes wages, salaries and benefits of personnel directly engaged in R&D activities; expenses of materials, fuel and power directly consumed by R&D activities; depreciation expenses of instruments and equipment of R&D activities; leasing and maintenance expenses of R&D sites; travel, transportation and communication fee required by research and test development; as well as the entrusted development expenditure, etc.

The Group classifies the expenditure in an internal research and development project into expenditure in the research phase and expenditure in the development phase. Expenditure in the research phase is recognised in profit or loss for the period in which it is incurred. Expenditure in the development phase is capitalised when the Group can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure in the development phase that does not meet the above criteria is recognised in profit or loss for the period in which it is incurred.

19. Long-term prepayments

Long-term prepayments represent expenditures incurred which should be recognised as expenses over one year and should be allocated in current and subsequent periods, including costs of improvements to fixed assets under operating leases. Long-term prepayments are amortised on the straight-line basis over the estimated beneficial period. Expenditure incurred during the pre-operating period should be recognised in profit or loss immediately as incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Provisions

Except for contingent liabilities assumed in business combinations involving entities not under common control, the Group recognises an obligation related to a contingency as a provision when all of the following conditions are satisfied:

(1) the obligation is a present obligation of the Group;

(2) it is probable that an outflow of economic benefits from the Group will be required to settle the obligation; and

(3) the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with a comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at each balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

21. Revenue

The revenue of the Group is mainly generated from business types as follows:

– The construction operations, which mainly comprises the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;

– The plan, design and consultancy operations, which mainly comprises the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;

– The manufacturing operations, which mainly comprises the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;

– The real estate development operations, which mainly comprises the development, construction and sale of residential properties and commercial properties;

– The other business operations, which mainly comprises trade and logistics, finance and insurance brokerage and highway operation.

When (or as) a performance obligation in a contract is satisfied, i.e., when (or as) the customer obtains control of relevant goods or services, the Group recognises as revenue the amount of the transaction price that is allocated to that performance obligation.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (Continued)

A performance obligation is the Group's promise to transfer to a customer a good or service (or a bundle of goods or services) that is distinct, in a contract with the customer.

The Group assesses a contract at contract inception, identifies each individual performance obligation included in the contract, and determines whether the Group satisfies the performance obligation over time or the Group satisfies the performance obligation at a point in time. Revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met: (1) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; (2) the Group's performance creates or enhances an asset that the customer controls as the Group performs; or (3) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

For most of the Group's construction operations, the Group completes satisfaction of the relevant performance obligations over time and the revenue is recognised during the contract period based on the performance progress, which is determined by input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services. When the Group is not able to reasonably measure its performance progress, the Group recognises revenue only to the extent of the recoverable amount of costs incurred until such time that it can reasonably measure the performance progress.

For plan, design and consultancy operations, manufacturing operations, real estate development operations and other business operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and amounts that the Group expects to refund to the customer.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved. At each balance sheet date, the Group updates the estimated transaction price.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (Continued)

Significant financing component

For contracts that contain significant financing components, the Group determines the transaction price based on the amount payable under the assumption that the customer pays that amount payable in cash when the control of goods or services is transferred to the customer. The difference between the transaction price and the contract consideration shall be amortised within the contract period using effective interest rate. For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Consideration payable to a customer

If the contract includes consideration payable to a customer, the Group shall account for consideration payable to a customer as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service, and shall recognise the reduction of revenue when (or as) the later of either of the following events occurs: (1) the Group recognises revenue for the transfer of the related goods or services to the customer; and (2) the Group pays or promises to pay the consideration.

If the contract includes two or more performance obligations, at contract inception, the Group allocates the transaction price to each performance obligation on a basis of relative stand-alone selling price, at which an entity would sell a promised good or service separately to a customer. When an entity has observable evidence that the contract discount or the variable consideration relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate the contract discount or the variable consideration to one or more, but not all, performance obligations in the contract.

The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group shall consider all information that is reasonably available to the Group and maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

Sales with warranties

For sales with warranties, if the warranties are separate services to the customer other than serving as an assurance that the products sold comply with agreed-upon specifications, the warranties constitute single performance obligations. Otherwise, the Group accounts for warranties in accordance with the *Accounting Standards for Business Enterprises No. 13 – Contingencies* (ASBE No. 13).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (Continued)

Principal versus agent

The Group assesses whether it controls each specified good or service before that good or service is transferred to the customer to determine whether the Group is a principal or an agent. If the Group controls the specified good or service before that good or service is transferred to a customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled. The fee or commission is the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party or is determined by some established amounts or proportions.

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Group recognises such costs as an asset if it expects to recover these costs. The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year. Other costs of obtaining a contract are recognised in profit or loss when they occur, unless they are going to be reimbursed by customers. The asset is presented as other current assets or other non-current assets according to whether the amortisation period exceeds one normal operating period.

Costs to fulfil a contract

If the costs incurred in fulfilling a contract are not within the scope of any standards other than ASBE No. 14, the Group recognises an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria: (1) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify; (2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (3) the costs are expected to be recovered. The asset is presented as inventories or other non-current assets according to whether the amortisation period exceeds one normal operating period.

The asset mentioned above shall be amortised on a basis that is consistent with the transfer to the customer of the goods or services to which the asset relates and recognised as expenses in relevant periods.

When determining the impairment loss of assets related to the contract cost, in the first place, the impairment loss of other assets related to the contract and recognised in accordance with other relevant business accounting standards should be determined; Then, the Group shall recognise an impairment loss to the extent that the carrying amount of the asset mentioned above exceeds the difference between the following items: (1) the remaining amount of consideration that the Group expects to receive in transfer for the goods or services to which the asset relates; (2) the estimated costs that relate to transferring those goods or services and that have not been recognised as expenses.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Revenue (Continued)

Costs to fulfil a contract (Continued)

The Group shall, after the impairment has been provided, recognise in profit or loss a reversal of some or all of an impairment loss previously recognised when the impairment conditions no longer exist or have improved. The increased carrying amount of the asset shall not exceed the carrying amount that would have been determined if no impairment loss had been recognised previously.

Contract assets

Contract assets refer to the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time. Accounting policies relating to contract assets are specified in Note III. 10.2. The Group's unconditional (i.e., depending on the passage of time only) right to receive consideration from the customer is separately presented as receivables.

Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration or the amount is due from the customer. Contract assets and contract liabilities under the same contract are listed on a net basis.

22. Government grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attached and the Group would receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a non-monetary asset, it is measured at fair value of the asset. If the fair value cannot be reliably determined, it is measured at a nominal amount. A government grant measured at a nominal amount is recognised immediately in profit or loss for the period.

22.1 Judgment basis and accounting treatments for government grants related to assets

Government grants related to assets refer to those acquired by the Group for the purpose of purchasing or constructing or forming long-term assets.

Government grants related to assets are charged against carrying amount in related assets when related assets become ready for their intended use.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Government grants (Continued)

22.2 Judgment basis and accounting treatments for government grants related to income

Government grants related to income refer to those other than grants related to assets.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related expenses are recognised. If the grant is a compensation for related expenses or losses already incurred, the grant is recognised immediately in profit or loss for the period.

Government grants related to the Group's daily activities are included in other income in accordance with its economic substance. Otherwise, government grants are included in non-operating income or expense.

For repayment of a government grant already recognised, if government grants were charged against carrying amount of the related assets at initial recognition, the repayment adjusts the carrying amount of assets. If there is related deferred income, the repayment is offset against the gross carrying amount of the deferred income, and any excess is recognised in profit or loss for the period. If there is no related deferred income, the repayment is recognised immediately in profit or loss for the period.

22.3 Relocation compensation received due to public interests

The Group receives relocation compensation directly from the government for the benefit of public interests such as urban overall planning, reservoir construction, and renovation of shanty towns and subsidence area control. The relocation compensation is paid out of financial budgets by the government and is recognised as special payable when received. Therein compensation granted for losses of fixed assets and intangible assets, expenses incurred, losses from suspension of projects, and assets to be constructed after the relocation, should be transferred to deferred income and recognised as government grants relating to assets and government grants related to income accordingly. Excess of the relocation compensation over the amount transferred to deferred income should be recorded in capital reserve.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Income tax

Income tax expenses comprise current and deferred tax. Current tax expenses and deferred tax expenses are recognised as income or expenses in profit or loss for the current period, except for the deferred tax as an adjustment of goodwill arising from a business combination, or the current tax expenses and the deferred tax expenses to be recognised directly in other comprehensive income or shareholders' equity, which arise from transactions or events that should be recognised directly in other comprehensive income or shareholders' equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered or paid according to the taxation laws and regulations.

Based on the temporary differences between the carrying amount of an asset or liability on the balance sheet date and its tax base, and the differences between the carrying amount of some items that have a tax base but are not recognised as assets and liabilities and their tax base, the Group adopts the liability method for the provision for deferred tax.

A deferred tax liability is recognised for all taxable temporary differences, except:

(1) where taxable temporary differences arise from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, it affects neither accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences;

(2) taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

A deferred tax asset is recognised for deductible temporary differences, carry forward of unused deductible tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of deductible tax losses and tax credits can be utilised, except:

(1) where the deferred tax asset arises from a transaction that is not a business combination, at the time of the transaction, it affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences;

(2) deductible temporary differences associated with investments in subsidiaries, joint ventures and associates, a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Income tax (Continued)

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates that are estimated to apply to the period when the asset is realised or the liability is settled, according to the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

24. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identical asset for a period of time in exchange for consideration.

For contracts entered into, the Group assesses whether the contract is, or contains, a lease at inception. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

24.1 As a lessee

Separating components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (Continued)

24.1 As a lessee (Continued)

Right-of-use assets

Except for short-term leases and leases of low-value assets, the Group recognises a right-of-use asset at the commencement date of the lease. The commencement date of the lease is the date on which a lessor makes an underlying asset available for use. The right-of-use asset is initially measured at cost. The cost of the right-of-use asset shall include:

(1) the amount of the initial measurement of the lease liability;

(2) any lease payments made at or before the commencement date, less any lease incentives received;

(3) any initial direct costs incurred by the Group; and

(4) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease terms are depreciated from commencement date to the end of their useful lives. Otherwise, right-of-use assets are depreciated over the shorter of their estimated useful lives and the lease terms.

The Group assesses and determines whether the right-of-use asset is impaired and accounts for any impairment loss identified in accordance with *Accounting Standards for Business Enterprises No. 8 – Impairment of Assets* (ASBE No.8).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (Continued)

24.1 As a lessee (Continued)

Lease liabilities

Except for short-term leases and leases of low-value assets, at the commencement date of a lease, the Group recognises the lease liability at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the implicit interest rate in the lease as the discount rate, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determined.

The lease payments are payments to the lessor for the right to use the underlying asset during the lease term made by the Group:

(1) fixed payments, including in-substance fixed payments, less any lease incentives receivable, if applicable;

(2) the exercise price of a purchase option reasonably certain to be exercised by the Group;

(3) payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, the Group recognises interest expenses in each accounting periods during the lease, based on a fixed periodic rate of interest on the remaining balance of the lease liabilities. The interest expenses are recognised into profit or loss for the current period or the cost of the related assets.

After the commencement date, if the lease term or the assessment of purchase option changes, the Group shall remeasure the lease liability, according to modified lease payments and present value with modified discount rates and make corresponding adjustments to the related right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group shall recognise any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group elects not to recognise right-of-use assets and lease liabilities for short-term leases of machinery and vehicles and leases of low-value assets. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. A lease of a low-value asset is a lease that the single underlying asset, when is new, is of low value. The Group shall recognise the lease payments associated with short-term leases and leases of low-value assets as the cost of the related assets or profit or loss on a straight-line basis over the lease term.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (Continued)

24.1 As a lessee (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

(1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

(2) the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group reallocates the consideration in the contract, and re-measures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

24.2 As a lessor

Separating components of a contract

For a contract that contains lease components and non-lease components, the Group applies ASBE No. 14 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Classification of leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Other leases which are not finance leases are operating leases.

Recognition and measurement as a lessor of an operating lease

The Group recognises lease receivables from operating leases as income on a straight-line basis over the lease term. The Group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognises those costs as an expense over the lease term on the same basis as the lease income.

For the contingent receivables not included in the operating lease receivables, the Group recognises into profit or loss when received.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Leases (Continued)

24.3 Sale and leaseback transactions

As a seller-lessee

The Group applies the requirements of ASBE No. 14 to assess whether the sale and leaseback transaction constitutes a sale by the Group as a seller-lessee. For the sales and leaseback transaction that does not constitute a sale, the Group continues to recognise the transferred asset, and recognises a financial liability which is equal to the transfer proceeds and accounts for the financial liability applying ASBE No. 22. If the sales and leaseback transaction constitute a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. After the lease commencement date, the Group shall make subsequent measurements of the right-of-use assets and lease liabilities formed by the leaseback transaction in accordance with the above provisions on subsequent measurement of such assets and liabilities.

25. Impairment of long-term assets

The Group determines the impairment of assets, other than the impairment of inventories, deferred tax assets, financial assets, contract assets and assets related to the costs incurred in fulfilling a contract, using the following methods:

The Group assesses at the balance sheet date whether there is any indication that the assets may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset. Goodwill arising from a business combination and an intangible asset with an indefinite useful life is tested for impairment at least at each year end, irrespective of whether there is any indication that the asset may be impaired. Intangible assets that have not been ready for intended use are tested for impairment each year.

The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. The recoverable amount of an asset or an asset group is the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from the asset or the asset group.

When the recoverable amount of an asset or an asset group is less than its carrying amount, the difference is recognised as a provision for impairment loss and profit or loss for the current period.

For the purpose of impairment testing, the carrying amount of goodwill acquired in a business combination is allocated from the acquisition date on a reasonable basis to each of the related asset groups; if it is impossible to allocate to the related asset groups, it is allocated to each of the related set of asset groups. Each of the related asset groups or set of asset groups is an asset group or set of asset groups that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Impairment of long-term assets (Continued)

In impairment testing for goodwill, if there is any indication of impairment, the Group first tests the asset group or set of asset groups excluding the amount of goodwill allocated for impairment, i.e., it determines and compares the recoverable amount with the related carrying amount and recognised any impairment loss. After that, the Group tests the asset group or set of asset groups including goodwill for impairment, the carrying amount (including the portion of the carrying amount of goodwill allocated) of the related asset group or set of asset groups is compared to its recoverable amount. If the carrying amount of the asset group or set of asset groups is higher than its recoverable amount, the amount of the impairment loss is first reduced by the carrying amount of the goodwill allocated to the asset group or set of asset groups, and then the carrying amount of other assets (other than the goodwill) within the asset group or set of asset groups, pro rata based on the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent periods.

26. Employee benefits

Employee benefits are all forms of considerations given by an entity in exchange for services rendered by employees or for the termination of employment. Employee benefits include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits the Group provided to employees' spouses, children, dependent, and families of deceased employees and other beneficiaries also belong to employee benefits.

26.1 Short-term benefits

In the period of employee services, short-term benefits are actually recognised as liabilities and charged to profit or loss or the related costs of assets for the current period.

26.2 Post-employment benefits (defined contribution plans)

If employees of the Group participate in the basic pension insurance and unemployment insurance plans managed by local governments and participate in the supplementary pension insurance of the Group as well, the relevant expenditures are recorded in the relevant capital costs and expenses in the period when incurred.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Employee benefits (Continued)

26.3 Post-employment benefits (defined benefit plans)

The Group provides benefit plans for long-term post-leaving personnel, which are considered as defined benefit plans. The Group does not put any funds in the plans; the costs of the defined benefit plans are measured using the projected cumulative unit credit method.

Any re-measurement caused by the defined benefit plans, including actuarial gains or losses, is recognised in the statement of financial position immediately and recorded in equity as other comprehensive income in the accounting period the re-measurement occurred. Those losses and gains should not be reversed to profit or loss in the subsequent accounting periods.

The past service costs should be recognised as current expenses at the earlier of the following dates: (1) when the Group modifies the defined benefit plans; and (2) when the Group recognises relevant restructuring costs or termination benefits.

Net interest equals to the net defined benefit liability multiply by the discount rate. The Group recognised changes in the net defined benefit obligation as general and administrative expenses in the statement of profit or loss and other comprehensive income. Those changes include service costs, including current service costs, past service costs and gains and losses on settlement, and net interest, which are the interest expenses of the plan.

26.4 Termination benefits

The Group recognises a liability and expenses for termination benefits at the earlier of the following dates: (1) when the Group can no longer unilaterally withdraw the offer of those benefits for proposals or suggestions for termination of employment; and (2) when the Group recognises costs or expenses for restructuring and involves the payment of termination costs or expenses.

26.5 Housing funds

All full-time employees of the Group in Mainland China are entitled to participate in various government-sponsored housing funds. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees.

26.6 Bonus entitlements

The estimated cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonuses are estimated to be settled within 12 months and are measured at the amounts estimated to be paid when they are settled.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Debt restructuring

27.1 Recording of debt restructuring obligation as the debtor

When a debt is settled by an asset in a debt restructuring, the Group derecognises the relevant asset and the debt settled when the derecognition criteria for the asset and the debt are satisfied. The difference between the carrying amount of the debt settled and the carrying amount of the asset transferred is recognised in profit or loss for the current period.

When a debt is converted into an equity instrument in a debt restructuring, the Group derecognises the debt settled when the derecognition criteria for the debt are satisfied. On initial recognition, the equity instrument is recognised at fair value. When the fair value of the equity instrument cannot be measured reliably, the equity instruments are recognised at the fair value of the debt. The difference between the carrying amount of the debt and the carrying amount of the equity instrument is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the debt restructured in accordance with ASBE No. 22 and *Accounting Standard for Business Enterprises No.37- Presentation of Financial Instruments* (ASBE No. 37).

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group recognises and measures the equity instrument and the debt restructured in accordance with the policies regarding debts settled by assets and debts converted into equity instruments, as mentioned above. The difference between the carrying amount of the debt and the sum of the carrying amount of the assets transferred, the carrying amount of the equity instrument recognised and the carrying amount of the debt restructured, is recognised in profit or loss for the current period.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Debt restructuring (Continued)

27.2 Recording of debt restructuring obligation as the creditor

When a debt is settled by assets in a debt restructuring, on initial recognition of the assets other than financial assets, the assets are recognised at cost.

(1) The cost of inventories includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, insurance and other costs, for bringing the assets to the current position and condition;

(2) The cost of fixed assets includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, installation costs, professional service costs and other costs, for bringing the assets to working condition for intended use.

The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When the debt restructuring causes the Group to convert the debt receivable to an equity investment of joint ventures or associates, the creditor shall measure the equity investment based on the sum of the fair value of debt receivable, and any directly attributable taxes and other costs of the investment. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the restructured debt receivable in accordance with ASBE No. 22.

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group first recognises and measures the financial assets received and restructured debt receivable in accordance with ASBE No. 22, and then allocates the net value, which is the fair value of the debt receivable deducted by the recognised total carrying amount of financial assets received and restructured debt receivable, to the costs of non-financial assets received based on their relative fair value. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Nonmonetary Transactions

When the non-monetary assets are of commercial substance and the fair value of assets received or the assets given up can be measured reliably, the nonmonetary transactions are measured at fair value. For the asset received, the fair value of the asset given up and related taxes payable are recognised as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value and the carrying amount is recognised in profit or loss for the current period. When there is clear evidence indicating that the fair value of the received asset is more reliable, for the asset received, the fair value of the asset received and related taxes payable are recognised as the cost at initial recognition; For the asset given up, at derecognition, the difference between the fair value of the asset received and the carrying amount of the asset given up is recognised in profit or loss for the current period.

When the nonmonetary transactions fail to meet criteria to be measured at fair value, the transactions are measured at carrying amounts. For the asset received, the carrying amount of the asset given up and relevant taxes payable are recognised as the cost of at initial recognition. For the asset given up, at derecognition, no profit or loss is recognised.

When several assets are received at the same time in an nonmonetary transaction, if the transaction is measured at fair value, the cost of each asset other than financial assets received is determined by apportioning the net amount, which is the total fair value of all assets given up deducted by the fair value of the financial assets received, based on the proportion of the fair value of each asset received, and plus related taxes payable, at initial recognition; When there is clear evidence indicating that the fair value of the received assets is more reliable, the fair value of each asset received and related taxes payable are recognised as cost of each asset received at initial recognition; If the transaction is measured at carrying amounts, the cost of each asset received is determined by apportioning the total carrying amounts of all assets given up based on the proportion of the fair value of each asset received to the total fair value of all assets received.

When several assets are given up at the same time in an nonmonetary transaction, if the transaction is measured at fair value, at each asset's derecognition, the difference between each asset's fair value and carrying amount is recognised in profit or loss for the current period; When there is clear evidence indicating that the fair value of the received assets is more reliable, the profit or loss, recognised for the current period, of derecognition of each asset given up is the net amount, which is the apportioning of the total fair value of the assets received, based on the proportion of the fair value of each asset given up to the total fair value of all assets given up, deducted by the carry amount of each asset given up; if the transaction is measured by carrying amounts, no profit or loss of derecognition of assets given up, is recognised.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Profit distribution

The cash dividend of the Company is recognised as a liability upon approval in the annual shareholders' meeting.

30. Renewable corporate bonds and other financial instruments

The renewable corporate bonds and other financial instruments issued by the Group shall be classified as equity instruments if no contractual obligations of one party (the issuer) to deliver cash or another financial asset to another party (the holder), or to exchange financial assets or liabilities under conditions that are potentially unfavourable.

For renewable corporate bonds and other financial instruments classified as equity instruments, distribution of interests and dividends are recognised into distribution of equity. Its repurchase and cancellation are recognised as changes of equity and transaction costs related to equity transactions are deducted from equity.

31. Production safety expenses

The Group accrues for production safety expenses pursuant to the *Circular on Printing and Issuing the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation* (Cai Qi [2022] No.136) and the *Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation,* issued by the Ministry of Finance and the Ministry of Emergency Management.

Production safety expenses accrued based on the aforesaid regulations shall be recorded in the costs of related products or expenses in profit or loss for the current period and provided as a fund in the special reserve. When the expenditures are utilised as expenses, they should be recognised in the statement of profit or loss and other comprehensive income and offset against the special reserve; when the expenditures incurred relate to fixed assets, they shall be recognised in the cost of fixed assets, which will be recognised when relevant assets become ready for their intended use. The same amount as the expenditure will be offset against the special reserve and recorded as accumulated depreciation equivalent at the same time.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Regardless of whether that price is directly observable or estimated using another valuation technique, fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that they can access at the measurement date;

Level 2: Inputs are inputs, other than quoted process included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

33. Asset securitisation

The Group has securitised a portion of receivables ("underlying assets") where underlying assets are sold and transferred to a special purpose entity ("SPE"). The SPE issues senior and subordinate assets-backed securities to investors, while the Group holds some portion of subordinate assets-backed securities which are not transferrable until the principal and interests of the senior assets-backed securities have been repaid. The Group acts as an asset service provider to provide services such as asset management and collection, contract revision and other services. The cash received from the underlying assets during the periods of collection, after paying SPE taxation and relevant fees, will be firstly used to repay the principal and interests of the senior assets-backed securities; the remaining cash after paying the principal and interests in full is treated as income from subordinate assets-backed securities. The Group shares relevant income based on its proportion of subordinate assets-backed securities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Asset securitisation (Continued)

When applying the accounting policy of securitisation of financial assets, the Groups has already taken into account the extent of transfer of the risks and rewards of those assets transferred to the other entity, as well as the extent of control over such entity by the Group:

(1) When the Group has transferred substantially all the risks and rewards of ownership of a financial asset, it shall derecognise the relevant financial asset;

(2) When the Group has retained substantially all the risks and rewards of ownership of a financial asset, it shall continue to recognise the relevant financial asset;

(3) When the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it shall determine whether it has retained control of the financial asset transferred. If the Group has not retained control, it shall derecognise the financial asset and recognise the rights retained or obligations arising from the transfer as an asset or a liability respectively. If the Group has retained control, it shall recognise the financial asset to the extent of its continuing involvement in the transferred financial asset.

The Group securitised a portion of the retention receivables by selling and transferring the retention receivables to a special-purpose entity. The above accounting policy for securitised financial assets is applied by reference to the condition that the performance obligations relating to the construction of the project have been completed and the contractor has undertaken to complete the performance obligations relating to the liability for defects.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Public – Private – Partnership ("PPP") project contract

The PPP project contract represents the contract entered into between the private party and the government in respect of the Public-Private-Partnership project (hereinafter referred to as the "PPP project") in accordance with the laws and regulations. The PPP project contract shall meet the following two characteristics (hereinafter referred to as the "Dual characteristics"): (1) the private party shall utilise the PPP project assets so as to provide public goods and services on behalf of the government during the operation period stipulated in the contract; (2) the private party shall be compensated for the public goods and services it provides during the period stipulated in the contract. The PPP project contract shall also meet the following two conditions (hereinafter referred to as the "Dual controls"): (1) the government shall have control over the type, object and price of the public goods and services that must be provided by the private party through the utilisation of the PPP project assets; (2) the government shall control the significant residual interest in the PPP project assets through ownership, right to income or other forms of rights upon termination of the PPP project contract.

The Group, as the private party, has entered into PPP project contracts with the government. According to such contracts, the Group shall provide construction services (including construction, renovation and expansion, similarly hereinafter), contract out the construction to other parties or perform other obligations. And the Group shall account for such contracts and recognise contract assets based on the determination that whether it is an agent or a principal in accordance with ASBE No. 14 – Revenue.

If the Group provides multiple services (for example, provide both construction services for PPP project assets and the operation and maintenance services upon the completion of the construction) in accordance with the contract, it shall identify the single performance obligation included in the contract and allocate the transaction price to each performance obligation in accordance with the proportion of the stand-alone selling price of each performance obligation in accordance with the provisions of ASBE No. 14 – Revenue.

During the operation period of the project, if the Group has the right to receive fees from the party which obtains the public goods and services in accordance with the PPP project contract, but the amount of the fees cannot be determined, the consideration for the PPP project assets or the amount of construction revenue recognised in respect of the project will be recognised as an intangible asset and presented as concessions under the line of intangible assets in the balance sheet when the PPP project assets are ready for intended use.

During the operation of the project, if the Group has the right to receive a determinable amount of cash (or other financial assets), the Group can recognise the amount as a receivable when it has the right to receive such cash (such right only depends on the passage of time) in accordance with the PPP project contract. The Group recognises the difference between the consideration for the PPP project assets or the amount of construction revenue recognised in respect of the project and the determinable amount of cash (or other financial assets) that the Group has the right to receive as an intangible asset when the PPP project assets are ready for intended use.

For the portion of the Group's consideration or construction revenue recognised for relevant PPP project assets that has been included in intangible assets and the contract assets recognised during the construction period, they are presented in the concessions under the line item of intangible assets; for other contract assets recognised during construction period, they are presented under the line item of contract assets or other non-current assets, depending on whether they are expected to be realised within one year since the balance sheet date.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that will affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at each balance sheet date. However, uncertainty about these assumptions and estimates may result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities in the future.

At the balance sheet date, accounting estimates that probably lead to significant future adjustments on the carrying amount of assets and liabilities are as follows:

Revenue from construction operations

For most of the Group's construction operations, the Group completes satisfaction of the relevant performance obligations over time and the revenue is recognised during the contract period based on the performance progress, which is determined by input method. The Group's management makes reasonable estimates on the expected total contract revenue and total contract costs based on the budgets prepared for construction operations to determine the performance progress and identify onerous contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Due to the nature of activities associated with construction, the Group has to continuously review and revise budget prepared for each construction operation throughout the contract period. Revision may have effect on revenue, profit and other items related to construction operations during the period when the revision incurred.

Impairment of trade receivables and contract assets

For trade receivables and contract assets scoped in ASBE No. 14, the Group measures loss allowances for trade receivables and contract assets based on lifetime ECL. For trade receivables and contract assets which are individually significant and credit-impaired, the Group's management assesses credit losses individually, based on the evidence of credit-impairment and forward-looking information. Except for trade receivables and contract assets which are individually significant and credit-impaired, the Group's management classifies the trade receivables and contract assets into different portfolios based on credit risk characteristics and uses provision matrix to assess ECL. The provision rates are based on the Group's historical actual loss rates, taking into consideration forward-looking information. The impairment of trade receivables and contract assets involves management's accounting estimations and judgements. If the result of reassessment is different from the current estimation, such differences may have influence on the profit and carrying amount of trade receivables and contract assets during the period when the reassessment incurred.

Impairment of other financial assets

For financial assets which are not scoped in ASBE No. 14, the Group assesses changes in credit risk of relevant financial instruments since initial recognition at each balance sheet date and calculates the ECL through default exposure and the expected credit loss rate for the next 12 months or the full lifetime. The calculation of ECL involves management's judgment on whether significant increase in credit risk and management's estimation on future contractual cash flows. If the result of reassessment is different from the current estimation, such differences may have influence on the profit and carrying amount of financial assets during the period which the reassessment incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Impairment of properties under development and completed properties held for sale

The Group has to evaluate the net realisable values for properties under development and completed properties held for sale at each balance sheet date. When the net realisable values are lower than the carrying amounts, a provision is made by the Group.

The principal assumptions for the Group's estimation of the net realisable values of the properties under development include those related to prevailing market prices for similar properties in the same location and condition, estimated costs to be incurred to completion of the properties and discount rates.

The Group estimates the net realisable value for completed properties held for sale based on the selling price, sales projections, sales expenses to be incurred and relevant tax expenses, with reference to the current market prices and actual sale progress.

Impairment of long-term equity investments

The Group assesses at the balance sheet date whether there is any indication that long-term equity investments may be impaired. If there is any indication of impairment, the Group will estimate the recoverable amount and perform the impairment test. The provision for impairment loss is recognised according to the difference where the recoverable amount of an asset is less than its carrying amount and charged to the impairment loss.

The recoverable amount of long-term equity investment is based on the higher of its fair value less costs to sell and the present value of the future cash flows estimated to be derived from long-term equity investment. The present value of the estimated future cash flow is based on the investee's present value of the future cash flow, that is, the amount of the estimated future cash flow generated by the investee in the process of continuous operation and discounted at the appropriate discount rate.

Impairment of concession rights

The Group assesses at the balance sheet date whether there is any indication that the concession rights may be impaired. If there is any indication of impairment, the Group will estimate the recoverable amount and perform the impairment test. The provision for impairment loss is recognised according to the difference where the recoverable amount of an asset is less than its carrying amount and charged to the impairment loss on assets.

The recoverable amount of the franchise rights is the higher of its fair value less costs of disposal and the present value of the estimated future cash flows. The present value of estimated future cash flows is determined based on the present value of estimated future cash flows during the period of the concession rights, i.e. based on the estimated future cash flows generated by the concession rights in the continuous use and discounted to the present value by selecting the appropriate discount rates. The estimated future cash flows are estimated based on the expected revenue of services rendered under concession arrangements and other income from the concession rights, net of necessary maintenance expenses and operating costs.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Contingent liabilities arising from litigation and claims

The Group is involved in a number of litigation and claims in respect of certain construction work performed at present and in the past. Contingent liabilities arising from these litigation and claims have been assessed by management with reference to legal advice. Provisions on the probable obligations have been made based on management's best estimates and judgments.

Useful lives and residual values of fixed assets

The useful lives of fixed assets are estimated based on historical experience of the Group with similar assets used in a similar way. If useful lives of the fixed assets are estimated to be shorter than previously estimated, the Group will increase the depreciation rates accordingly, or dispose of those assets that are idle or technically obsolete.

In determining the useful lives and residual values of fixed assets, the Group periodically reviews the changes in market conditions, estimated physical wear and tear, and the maintenance of an asset. The estimation of the useful life of the asset is based on historical experience of the Group with similar assets that are used in a similar way. The depreciation amount will be adjusted if the estimated useful lives and/or the residual values of fixed assets are less than previous estimation. Useful lives and residual values are reviewed, at each balance sheet date, based on changes in circumstances.

Amortisation of concession rights of highways

If the assets under the concession arrangement acquired by the Group's participating in the construction of the highway are applicable to intangible asset model, the concession rights are amortised at the early stage of operation period based on expected realisation approach of associated economic benefits using traffic volume method or straight-line method. In the case of traffic volume method amortisation (namely, calculating the total annual amortisation amount based on the percentage of actual traffic volume in the current period in the estimated total traffic volumes), amortisation calculation is initiated since the operation of the relevant turnpike highways.

The Group's management made judgments on the proportion of actual traffic volume in the total estimated traffic volume. Where the difference between the actual amount and the estimation is substantial, the management will re-estimate the total estimated traffic volume based on the actual traffic volume and adjust the amortisation of annual provisions for standard traffic volumes in subsequent years.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Significant accounting judgments and estimates (Continued)

Income tax and deferred tax assets

The Company and its subsidiaries are subject to income taxes in numerous jurisdictions in domestic provinces and certain overseas countries. In order to reliably estimate and judge, the income tax provision is required to be determined based on existing tax laws, regulations and practices, if the relevant affairs of income tax have not yet been confirmed by relevant tax authorities. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the current period income tax provisions in the periods in which the differences arise.

Deferred tax assets relating to certain deductible temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the deductible temporary differences or tax losses can be utilised. In cases where the actual future profits generated are different from the estimation, such difference will influence on or change the deferred tax assets and income tax recognised in the relevant period.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the present value of the future expected cash flows from the asset groups or set of asset groups to which the goodwill is allocated. Estimating the present value requires the Group to make an estimate of the expected future cash flows from the asset groups or set of asset groups and also choose a suitable discount rate in order to calculate the present value of those cash flows.

36. Changes in accounting policies

The Interpretation No. 17 of the *Accounting Standards for Business Enterprises (the "Interpretation No. 17")* and the *Interpretation No. 18 of the Accounting Standards for Business Enterprises (the "Interpretation No. 18")* were issued by the Ministry of Finance on 25 October 2023 and 6 December 2024, respectively, and the Group is required to apply the relevant provisions in accordance with the effective dates of the Interpretation No. 17 and Interpretation No. 18.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Changes in accounting policies (Continued)

36.1 Impact of Interpretation No. 17 on the Group

Interpretation No. 17 stipulated the classification of current and non-current liabilities and the accounting treatment of leaseback transactions. This Interpretation became effective from 1 January 2024.

36.1.1 Classification of current and non-current liabilities

The Interpretation No. 17 amended and refined the principles for the classification of current and non-current liabilities stated in the *Accounting Standards for Business Enterprises No. 30 – Presentation of Financial* Statements as follows: it specified that if an enterprise had no substantive right on the balance sheet date to defer the settlement of liabilities beyond one year or more from the balance sheet date, such liabilities should be classified as current liabilities and whether an enterprise had the subjective possibility to exercise the aforesaid rights does not affect the classification of liability liquidity; it specified that for liabilities arising from corporate loan arrangements, if the right to defer the settlement of the liability beyond one year from the balance sheet date depended on contractual conditions, the conditions to be followed before and after the balance sheet date should be distinguished, considering whether there was a right to defer the settlement of the liability at the balance sheet date; it specified that if the counterparty to the liability transaction had the option to settle in the enterprise's own equity instruments, and this option was classified as an equity instrument and recognised separately, then the related settlement terms were irrelevant to the liquidity classification of the liability and it specified disclosure requirements related to loan arrangements classified as non-current liabilities with contractual conditions attached. The Interpretation also required that an enterprise should adjust the comparable period information at its initial implementation of the Interpretation.

36.1.2 Accounting treatment of sale and leaseback transactions

The Interpretation No.17 stipulated that if the transfer of assets in a sale and leaseback transaction is considered a sale, after the commencement date of the lease, the lessee should ensure that the determination of lease payments or revised lease payments does not result in the recognition of gains or losses related to the right to use the asset leased back when subsequently measuring the lease liability formed from the sale and leaseback. If a lease modification leads to a reduction in the scope of the lease or a shortening of the lease term, the lessee should recognise the related gains or losses from the partial or complete termination of the lease in the current period's profit or loss, without being subject to the aforementioned restrictions. When implementing for the first time, the enterprise should retroactively adjust sale and leaseback transactions carried out after the initial adoption of *Accounting Standards for Business Enterprises No. 21 – Leases*.

After assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Changes in accounting policies (Continued)

36.2 Impact of Interpretation No. 18 on the Group

Interpretation No. 18 stipulated the accounting treatment of assurance-type warranties which are not separate performance obligations. The interpretation became effective from 6 December 2024, and the enterprise is allowed to implement it in advance from the year of release.

The Interpretation No. 18 stipulated that when accounting for provisions arising from assurance-type quality assurance which are not separate performance obligations in accordance with the *Accounting Standards for Business Enterprises No. 14 – Revenue*, the amount of provisions determined in accordance with the *Accounting Standards for Business Enterprises No. 13 – Contingencies*, shall be debited to "Cost of Principal Operating Activities" or "Cost of Other Operating Activities" and credited to "provisions", and presented accordingly under "cost of sales" in the statement of profit or loss and "other current liabilities", "current portion of non-current liabilities" and "provisions" in the statement of financial position. When implementing for the first time, the enterprise shall retrospectively adjust the changes in accounts and items presented in the financial statements involving the accounting treatment of above assurance-type quality assurance as changes in accounting policies if such assurance-type quality assurances were included in "selling and distribution expenses". The Group accounted for the assurance-type quality assurance in "selling and distribution expenses" and implemented the Interpretation in advance in the current year, with the amounts affected shown as follows:

RMB'000

Item	2023	Adjustment	2023 (Restated)
Selling and distribution expenses	7,377,871	(65,969)	7,311,902
Cost of sales	1,019,683,082	65,969	1,019,749,051

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION

1. Major categories of taxes and respective tax rates

Category	Tax basis	Tax rate
Value-added tax ("VAT")	Sales revenue and construction installation income in accordance with relevant tax law	3%, 6%, 9%, 13%
Enterprise income tax ("EIT")	Taxable income	All enterprises are subject to EIT at 25% except for some domestic subsidiaries qualified for tax preferential (Note IV. 2) and overseas subsidiaries that are subject to EIT in accordance with the local tax laws applicable to the jurisdiction where the company was registered.
City maintenance and construction tax ("CCT")	Based on the actual VAT and circulation tax payment	1%, 5%, 7%
Educational surcharge	Based on the actual VAT and circulation tax payment	3%
Local educational surcharge	Based on the actual VAT and circulation tax payment	2%
Land appreciation tax ("LAT")	Calculate LAT based on the appreciation amount arising from the transfer of properties and the extra progressive tax rate	Extra progressive tax rate: 30%, 40%, 50%, 60%

IV. TAXATION (CONTINUED)

2. Tax preferential

Super deduction of research and development (R&D) expenses

Pursuant to Chapter IV, Item 1 of Article 30 of the Law of the PRC on Enterprise Income Tax Law (the "New EIT Law"), the Notice of the Ministry of Finance, the State Administration of Taxation and the Ministry of Science and Technology on Improving the Policies for the Weighted Pre-tax Deduction of Research and Development Expenses (Cai Shui [2015] No. 119) and the Announcement of the Ministry of Finance and the State Taxation Administration on Further Improving the Policies Regarding Weighted Pre-tax Deduction of Research and Development Expenses (Cai Shui [2023] No. 7), with respect to research and development (R&D) expenses of the Company and its subsidiaries that complies with the above provisions, an extra 100% of the actual amount of expenses is deductible before tax.

Tax preferential for the Western Region Development

Pursuant to the Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission on Continuing the Enterprise Income Tax Policies for Western Development Strategies (Cai Shui [2020] No. 23), the tax preference for the Western Region Development are valid until 2030. According to the Circular, "from 1 January 2021 to 31 December 2030, enterprise income tax may be levied at a reduced tax rate of 15% for enterprises established in the western region and engaged in encouraged industries. The above-mentioned industries shall refer to enterprises whose principal businesses are the industrial projects prescribed in the Catalogue of Encouraged Industries in the Western Region, the income of which accounts for more than 60% of the total income of such enterprises. The Catalogue of Encouraged Industries in the Western Region has been issued by National Development and Reform Commission. If the catalogue is modified during the period of the announcement, the modified version shall apply since the date of implementation."

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Tax preferential for the Western Region Development (Continued)

At present, the Catalogue of Encouraged Industries in the Western Region has been approved by the State Council and has been implemented since 1 October 2014. Certain subsidiaries of the Company, including China Railway 11th Bureau Group 5th Engineering Co., Ltd. (中鐵十一局集團第五工程有限公司), China Railway 11th Bureau Group Tibet Engineering Co., Ltd. (中鐵十一局集團西藏工程有限公司), China Railway 11th Bureau Group Xi'an Construction Co., Ltd. (中鐵十一局集團西安建設有限公司), China Railway 12th Bureau Group 1st Engineering Co., Ltd. (中鐵十二局集團第一工程有限公司), China Railway 12th Bureau Group 4th Engineering Co., Ltd. (中鐵十二局集團第四工程有限公司), China Railway 12th Bureau Group (Tibet) Engineering Co., Ltd. (中鐵十二局集團（西藏）工程有限公司), China Railway 12th Bureau Group Hanzhong Xudong Engineering Co., Ltd. (中鐵十二局集團漢中旭東工程有限公司), China Railway Construction Bridge Engineering Bureau Group 5th Engineering Co., Ltd. (中鐵建大橋工程局集團第五工程有限公司), China Railway Construction Chongqing Construction Technology Co., Ltd. (中鐵建重慶建築科技有限公司), China Railway 15th Bureau Group 1st Engineering Co., Ltd. (中鐵十五局集團第一工程有限公司), China Railway 15th Bureau Group Tibet Engineering Co., Ltd. (中鐵十五局集團西藏工程有限公司), China Railway 16th Bureau Group Tibet Engineering Co., Ltd. (中鐵十六局集團西藏工程有限公司), China Railway 17th Bureau Group 2nd Engineering Co., Ltd. (中鐵十七局集團第二工程有限公司), China Railway 17th Bureau Group 4th Engineering Co., Ltd. (中鐵十七局集團第四工程有限公司), China Railway 17th Bureau Group Tibet Engineering Co., Ltd. (中鐵十七局集團西藏工程有限公司), China Railway 18th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十八局集團隧道工程有限公司), China Railway 19th Bureau Group Tibet Engineering Co., Ltd. (中鐵十九局集團西藏工程有限公司), China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司), China Railway 20th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十局集團第二工程有限公司), China Railway 20th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十局集團第三工程有限公司), China Railway 20th Bureau Group 5th Engineering Co., Ltd. (中鐵二十局集團第五工程有限公司), China Railway 20th Bureau Group 6th Engineering Co., Ltd. (中鐵二十局集團第六工程有限公司), China Railway 20th Bureau Group Electrification Engineering Co., Ltd (中鐵二十局集團電氣化工程有限公司), China Railway 20th Bureau Group Municipal Engineering Co., Ltd. (中鐵二十局集團市政工程有限公司), China Railway Guizhou Engineering Co., Ltd. (中鐵貴州工程有限公司), Chongqing Qinyu Property Management Co., Ltd. (重慶秦渝物業管理有限公司), China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司), China Railway 21st Bureau Group 1st Engineering Co., Ltd. (中鐵二十一局集團第一工程有限公司), China Railway 21st Bureau Group 2nd Engineering Co., Ltd. (中鐵二十一局集團第二工程有限公司), China Railway 21st Bureau Group 3rd Engineering Co., Ltd. (中鐵二十一局集團第三工程有限公司), China Railway 21st Bureau Group 4th Engineering Co., Ltd. (中鐵二十一局集團第四工程有限公司), China Railway 21st Bureau Group 5th Engineering Co., Ltd. (中鐵二十一局集團第五工程有限公司), China Railway 21st Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵二十一局集團路橋工程有限公司), China Railway 22nd Bureau Group 5th Engineering Co., Ltd. (中鐵二十二局集團第五工程有限公司), China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司), China Railway 23rd Bureau Group 3rd Engineering Co., Ltd. (中鐵二十三局集團第三工程有限公司), China Railway 23rd Bureau Group 6th Engineering Co., Ltd. (中鐵二十三局集團第六工程有限公司), China Railway 23rd Bureau Group Tibet Engineering Co., Ltd. (中鐵二十三局集團西藏工程有限公司), China Railway 23rd Bureau Group Rail Transit Sichuan Engineering Co., Ltd. (中鐵二十三局集團軌道交通四川工程有限公司), China Railway 25th Bureau Group (Ganzhou) Engineering Co., Ltd.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Tax preferential for the Western Region Development (Continued)

(中鐵二十五局集團(贛州)工程有限公司), China Railway Construction Electrification Bureau Group Xi'an Electrical Product Co., Ltd. (中鐵建電氣化局集團西安電氣化製品有限公司), China Railway First Survey and Design Institute Group Co., Ltd. (中鐵第一勘察設計院集團有限公司), China Railway First Survey and Design Institute (Shaanxi) Engineering Construction Co., Ltd. (中鐵一院(陝西)工程建設有限公司), Xi'an Runtong Digital Technology Co., Ltd. (西安潤通數字科技有限公司), Lanzhou Railway Survey and Design Institute Co., Ltd. (蘭州鐵道設計院有限公司), China Railway Material Group Southwest Co., Ltd. (中鐵物資集團西南有限公司), China Railway Material Group Yunnan Co., Ltd. (中鐵物資集團雲南有限公司), China Railway Construction Heavy Industry Xinjiang Co., Ltd. (鐵建重工新疆有限公司), China Railway Longchang Materials Co., Ltd. (中鐵隆昌鐵路器材有限公司), China Railway Highway China Petroleum (Sichuan) Energy Co., Ltd. (鐵建高速中油(四川)能源有限公司), China Railway Construction Guizhou Anshun-Ziyun Highway Co., Ltd. (中鐵建貴州安紫高速公路有限公司), China Railway Construction Chongqing Rail Transit Loop Line Construction Co., Ltd. (中鐵建重慶軌道環線建設有限公司), China Railway Construction Sichuan Jianpu Expressway Co., Ltd. (中鐵建四川簡蒲高速公路有限公司), CRCC Kunlun Investment Group Co., Ltd. (中國鐵建昆侖投資集團有限公司), China Railway Construction Kunlun Metro Investment Construction Management Co., Ltd. (中鐵建昆侖地鐵投資建設管理有限公司), China Railway Construction Yunnan Investment Co., Ltd. (中鐵建雲南投資有限公司), Chengdu CRCC Kunlun Rail Engineering Co., Ltd. (成都中鐵建昆侖軌道工程有限公司), Jintang CRCC Kunlun City Construction Co., Ltd. (金堂中鐵建昆侖城市建設有限公司), Chengdu CRCC Chengzi Rail Transit Development Co., Ltd. (成都中鐵建成資軌道交通發展有限公司), Chongqing Tiefa Suiyu Highway Co., Ltd. (重慶鐵發遂渝高速公路有限公司), Chongqing China Petroleum & Railway Construction Industrial Co., Ltd. (重慶中油鐵建實業有限公司), CRCC Chongqing Investment Group Co., Ltd. (中鐵建重慶投資集團有限公司), CRCC Chongqing Petrochemical Sales Co., Ltd. (中鐵建重慶石化銷售有限公司), Chongqing Jinlu Traffic Engineering Co., Ltd. (重慶金路交通工程有限責任公司), CRCC Ecological Environment Co., Ltd (中鐵建生態環境有限公司), Chengdu CRCC Kunlun Zhenrong Eco-construction Co., Ltd. (成都中鐵建昆侖振蓉生態建設有限公司), China Railway Construction Kunlun Expressway Operation Management Co., Ltd. (中鐵建昆侖高速公路運營管理有限公司), China Railway Construction Kunlun Road and Bridge Construction Co., Ltd. (中鐵建昆侖路橋建設有限公司)，Xuanwei Jingyuan Environmental Treatment Co., Ltd. (宣威市淨源環境治理有限公司), CRCC Yunnan Transportation Construction & Management Co., Ltd. (中鐵建雲南交通建設管理有限公司), CRCC Chongqing Investment Group Industrial Development Co., Ltd. (中鐵建重慶投資集團實業發展有限公司), Railway Construction Northwest Investment & Construction Co., Ltd. (中鐵建西北投資建設有限公司) and China Railway Construction (Yinchuan) City Development Co., Ltd. (中鐵建(銀川)城市發展有限公司), met requirements and are applicable to preferential income tax rate of 15% for the Western Region Development in 2023 and 2024.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Preferential Tax Policy for Building a Guangdong-Macao In-Depth Cooperation Zone in Hengqin

According to the Notice of the Ministry of Finance and the State Taxation Administration on the Preferential Policies on Enterprise Income Tax in the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (Cai Shui [2022] No. 19), corporate income tax for eligible industrial enterprises in the Guangdong-Macao In-Depth Cooperation Zone in Hengqin can be reduced to 15% so as to support the development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin.

(1) The principal business of the enterprise meets the requirements of Preferential Enterprise Income Tax Catalogue for the Guangdong-Macao In-Depth Cooperation Zone in Hengqin (2021), and its income accounts for more than 60% of the total income;

(2) the actual management organisation of the enterprise is located in Guangdong-Macao In-Depth Cooperation Zone in Hengqin, and it conducts substantive and comprehensive management and control over the production and operation, personnel, accounting, property, etc. of the enterprise.

China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司) and China Railway Construction Highway Operation Co., Ltd. (中鐵建公路運營有限公司), subsidiaries of the Company, were subject to a preferential corporate income tax rate of 15% in 2023 and 2024. China Railway Construction Investment (Hengqin) Urban Asset Operation Co., Ltd. (中鐵建投(橫琴)城市資產運營有限公司) is eligible for the preferential income tax policy of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and is subject to a preferential corporate income tax rate of 15% in 2024.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries

China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司): (1) China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司) and its subsidiaries China Railway 11 Bureau Group 6th Engineering Co., Ltd. (中鐵十一局集團第六工程有限公司) and China Railway 11th Bureau Group Construction and Development Co., Ltd. (中鐵十一局集團建設發展有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiaries including China Railway 11th Bureau Group 1st Engineering Co., Ltd. (中鐵十一局集團第一工程有限公司), China Railway 11th Bureau Group 2nd Engineering Co., Ltd. (中鐵十一局集團第二工程有限公司), China Railway 11th Bureau Group 3rd Engineering Co., Ltd. (中鐵十一局集團第三工程有限公司), China Railway 11th Bureau Group 4th Engineering Co., Ltd. (中鐵十一局集團第四工程有限公司) and China Railway 11th Bureau Group City Rail Engineering Co., Ltd. (中鐵十一局集團城市軌道工程有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway 11th Bureau Group Bridge Engineering Co., Ltd. (中鐵十一局集團橋樑有限公司) has been recognised as a High-tech Enterprise by Jiangxi Provincial Science and Technology Department, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) China Railway 11th Bureau Group Electrical Engineering Co., Ltd. (中鐵十一局集團電務工程有限公司), China Railway 11th Bureau Group Hanjiang Heavy Industry Co., Ltd. (中鐵十一局集團漢江重工有限公司) and China Railway Eleventh Bureau Group Construction Installation Engineering Co., Ltd. (中鐵十一局集團建築安裝工程有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (5) China Railway 11th Bureau Group East China Construction Co., Ltd. (中鐵十一局集團華東建設有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 12th Bureau Group Co., Ltd. (中鐵十二局集團有限公司): (1) its subsidiaries China Railway 12th Bureau Group 2nd Engineering Co., Ltd. (中鐵十二局集團第二工程有限公司) and China Railway 12th Bureau Group 3rd Engineering Co., Ltd. (中鐵十二局集團第三工程有限公司) have been recognised as High-tech Enterprises by the Shanxi Science and Technology Department, Department of Finance of Shanxi, and Shanxi Provincial Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 12th Bureau Group 7th Engineering Co., Ltd. (中鐵十二局集團第七工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) China Railway 12th Bureau Group Electrification Engineering Co., Ltd (中鐵十二局集團電氣化工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway 12th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十二局集團建築安裝工程有限公司) has been recognised as a High-tech Enterprise by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (5) its subsidiary China Railway 12th Bureau Group 1st Engineering Co., Ltd. (中鐵十二局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Shaanxi Provincial Department of Science and Technology, Shaanxi Provincial Department of Finance, and Shaanxi Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司): (1) China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司) and its subsidiary China Railway Construction Bridge Engineering Bureau Group Construction Assembly Technology Co., Ltd. (中鐵建大橋工程局集團建築裝配科技有限公司) have been recognised as High-tech Enterprises by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway Jinqiao Engineering Testing Co., Ltd. (中鐵津橋工程檢測有限公司) has been recognised as a High-tech Enterprise by Jilin Provincial Science and Technology Bureau, Jilin Province Bureau of Finance, and Jilin Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway Modern Survey and Design Institute Co., Ltd. (中鐵現代勘察設計院有限公司) has been recognised as a High-tech Enterprise by Jilin Provincial Science and Technology Department, Department of Finance of Jilin Province, and Jilin Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway Bridge Engineering Group Electrification Engineering Co., Ltd. (中鐵建大橋工程局集團電氣化工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (5) its subsidiary China Railway Construction Bridge Engineering Bureau Group Jingjiang Heavy Industry Co., Ltd. (中鐵建大橋工程局集團靖江重工有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 14th Bureau Group Co., Ltd. (中鐵十四局集團有限公司): (1) its subsidiaries including China Railway 14th Bureau Group 1st Engineering Development Co., Ltd. (中鐵十四局集團第一工程發展有限公司), China Railway 14th Bureau Group Electrification Engineering Co., Ltd. (中鐵十四局集團電氣化工程有限公司), Tiezheng Testing Technology Co., Ltd. (鐵正檢測科技有限公司) and Shandong Zhengheng New Material Technology Co., Ltd. (山東正珩新材料科技有限責任公司) have been recognised as High-tech Enterprises by Department of Science & Technology of Shandong Province, Shandong Provincial Department of Finance, and Shandong Provincial Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 14th Bureau Group 3rd Engineering Co., Ltd. (中鐵十四局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shandong Province, Shandong Provincial Department of Finance, and Shandong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiaries including China Railway 14th Bureau Group 4th Engineering Co., Ltd. (中鐵十四局集團第四工程有限公司), Shandong Civil Air Defense Architectural Design Institute Co., Ltd. (山東省人民防空建築設計院有限責任公司), China Railway 14th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十四局集團隧道工程有限公司), China Railway 14th Bureau Group Construction Technology Co. Ltd (中鐵十四局集團建築科技有限公司), China Railway 14th Bureau Construction Engineering Co. Ltd. (中鐵十四局集團建築工程有限公司) and China Railway 14th Bureau Yellow River Construction Technology Co. Ltd. (中鐵十四局集團黃河建築科技有限公司) have been recognised as High-tech Enterprises by Shandong Provincial Science and Technology Department, Shandong Provincial Department of Finance, and Shandong Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary CRCC North-China Construction Technology Co. Ltd. (中鐵建華北建築科技有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Science and Technology Department, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (5) its subsidiary China Railway 14th Bureau Group Qingdao Engineering Co., Ltd. (中鐵十四局集團青島工程有限公司) has been recognised as a High-tech Enterprise by Qingdao Science and Technology Bureau, Qingdao Municipal Bureau of Finance, and Qingdao Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2023 to 31 December 2025; (6) China Railway 14th Bureau Group Housing and Bridge Co., Ltd. (中鐵十四局集團房橋有限公司) has been recognised as a High-tech Enterprise by the Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (7) China Railway 14th Bureau Group Shield Tunneling Co., Ltd. (中鐵十四局集團大盾構有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 15th Bureau Group Co., Ltd. (中鐵十五局集團有限公司): (1) its subsidiary China Railway 15th Bureau Group 3rd Engineering Co., Ltd. (中鐵十五局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary China Railway 15th Bureau Group 5th Engineering Co., Ltd. (中鐵十五局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (3) its subsidiary Henan Sitong Engineering Testing Co., Ltd. (河南四通工程檢測有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Henan Province, Henan Provincial Finance Department, and Henan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 16th Bureau Group Co., Ltd. (中鐵十六局集團有限公司): (1) China Railway 16th Bureau Group Co., Ltd. (中鐵十六局集團有限公司) and its subsidiary China Railway 16th Bureau Group 1st Engineering Co., Ltd. (中鐵十六局集團第一工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 16th Bureau Group 2nd Engineering Co., Ltd. (中鐵十六局集團第二工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (3) its subsidiary China Railway 16th Bureau Group 3rd Engineering Co., Ltd. (中鐵十六局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiaries including China Railway 16th Bureau Group 4th Engineering Co., Ltd. (中鐵十六局集團第四工程有限公司), China Railway 16th Bureau Group Beijing Metro Engineering Co., Ltd. (中鐵十六局集團北京軌道交通工程建設有限公司) and China Railway 16th Bureau Group Electrification Engineering Co., Ltd. (中鐵十六局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway 16th Bureau Group 5th Engineering Co., Ltd. (中鐵十六局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiaries including China Railway 16th Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵十六局集團路橋工程有限公司) and China Railway 16th Bureau Group City Construction Development Co., Ltd. (中鐵十六局集團城市建設發展有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science and Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (7) its subsidiary China Railway 16th Bureau Group Railway Transportation Engineering Co., Ltd. (中鐵十六局集團鐵運工程有限公司) has been recognised as a High-tech Enterprise by Guangdong Provincial Department of Science and Technology, Guangdong Provincial Department of Finance, and Guangdong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 17th Bureau Group Co., Ltd. (中鐵十七局集團有限公司): (1) its subsidiary China Railway 17th Bureau 1st Engineering Co., Ltd. (中鐵十七局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shandong Province, Shandong Province Finance Bureau, and Shandong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway 17th Bureau 3rd Engineering Co., Ltd. (中鐵十七局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Science and Technology Department, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 17th Bureau 5th Engineering Co., Ltd. (中鐵十七局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary China Railway 17th Bureau 6th Engineering Co., Ltd. (中鐵十七局集團第六工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Xiamen City, Department of Finance of Xiamen City, and Xiamen Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiaries including China Railway 17th Bureau Group Construction Engineering Co., Ltd. (中鐵十七局集團建築工程有限公司) and China Railway 17th Bureau Group Electrification Engineering Co., Ltd. (中鐵十七局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiary China Railway 17th Bureau Municipal Construction Co., Ltd. (中鐵十七局集團市政建設有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (7) its subsidiary China Railway 17th Bureau Group City Construction Development Co., Ltd. (中鐵十七局集團城市建設有限公司) has been recognised as a High-tech Enterprise by Guizhou Provincial Science and Technology Commission, Guizhou Provincial Finance Bureau, and Guizhou Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (8) its subsidiary China Railway 17th Bureau Group (Guangzhou) Construction Co., Ltd. (中鐵十七局集團（廣州）建設有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 18th Bureau Group Co., Ltd. (中鐵十八局集團有限公司): (1) its subsidiary China Railway 18th Bureau Group 1st Engineering Co., Ltd. (中鐵十八局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 18th Bureau Group 2nd Engineering Co., Ltd. (中鐵十八局集團第二工程有限公司) has been recognised as High-tech Enterprises by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 18th Bureau Group 3rd Engineering Co., Ltd. (中鐵十八局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway 18th Bureau Group 4th Engineering Co., Ltd. (中鐵十八局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (5) its subsidiary China Railway 18th Bureau Group 5th Engineering Co., Ltd. (中鐵十八局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (6) its subsidiary China Railway 18th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十八局集團建築安裝工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 19th Bureau Group Co., Ltd. (中鐵十九局集團有限公司): (1) China Railway 19th Bureau Group Co., Ltd. (中鐵十九局集團有限公司) and its subsidiaries including China Railway 19th Bureau Group Rail Transit Engineering Co., Ltd. (中鐵十九局集團軌道交通工程有限公司) and China Railway 19th Bureau Group Mining Investment Co., Ltd. (中鐵十九局集團礦業投資有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science and Technology Commission, Beijing Municipal Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 19th Bureau Group 1st Engineering Co., Ltd. (中鐵十九局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Liaoning Province, Liaoning Province Finance Department, and Liaoning Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 19th Bureau Group 3rd Engineering Co., Ltd. (中鐵十九局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Liaoning Province, Liaoning Province Finance Department, and Liaoning Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway 19th Bureau Group 5th Engineering Co., Ltd. (中鐵十九局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Liaoning Province, Liaoning Province Finance Department, and Liaoning Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway 19th Bureau Group 6th Engineering Co., Ltd. (中鐵十九局集團第六工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (6) its subsidiary China Railway 19th Bureau Group East China Engineering Co. Ltd. (中鐵十九局集團華東工程有限公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (7) its subsidiary China Railway 19th Bureau Group Corporation Electric Engineering Co., Ltd. (中鐵十九局集團電務工程有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (8) its subsidiary China Railway 19th Bureau Group Guangzhou Engineering Co., Ltd. (中鐵十九局集團廣州工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司): (1) its subsidiary China Railway Construction Urban Construction Transportation Development Co., Ltd. (中鐵建城建交通發展有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway Building and Installing Engineering Design Institute Co., Ltd. (中鐵建安工程設計院有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (3) its subsidiary China Railway 20th Bureau Group 4th Engineering Co., Ltd. (中鐵二十局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Qingdao Science and Technology Bureau, Qingdao Municipal Bureau of Finance, and Qingdao Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (4) its subsidiary China Railway Construction Technology Testing Co. Ltd (中鐵建科檢測有限公司) has been recognised as a High-tech Enterprise by Shaanxi Provincial Department of Science and Technology, Shaanxi Provincial Department of Finance, and Shaanxi Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司): (1) China Railway 21st Bureau Group 2nd Engineering Co., Ltd. (中鐵二十一局集團第二工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Gansu Province, Gansu Province Finance Bureau, and Gansu Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 21st Bureau Group Electric and Chemical Engineering Co., Ltd. (中鐵二十一局集團電務電化工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Gansu Province, Gansu Province Finance Bureau, and Gansu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (3) its subsidiary Western Railway Construction Engineering Materials Technology Co., Ltd. (西部鐵建工程材料科技有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Gansu Province, Gansu Province Finance Bureau, and Gansu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司): (1) China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司) and its subsidiaries China Railway 22nd Bureau Group Metro Co., Ltd. (中鐵二十二局集團軌道工程有限公司) and China Railway Jingcheng Engineering Testing Co., Ltd. (中鐵京誠工程檢測有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (2) its subsidiary China Railway 22nd Bureau Group 1st Engineering Co., Ltd. (中鐵二十二局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Heilongjiang Provincial Science and Technology Department, Heilongjiang Provincial Department of Finance, and Heilongjiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiaries China Railway 22nd Bureau Group 2nd Engineering Co., Ltd. (中鐵二十二局集團第二工程有限公司) and China Railway 22nd Bureau Group Electrification Engineering Co., Ltd. (中鐵二十二局集團電氣化工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary China Railway 22nd Bureau Group 4th Engineering Co., Ltd. (中鐵二十二局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary Heilongjiang Tiecheng Engineering Testing Co., Ltd. (黑龍江鐵誠工程檢測有限責任公司) has been recognised as a Hightech Enterprise by Heilongjiang Provincial Science and Technology Department, Heilongjiang Provincial Department of Finance, and Heilongjiang Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司): (1) its subsidiary China Railway 23rd Bureau Group 1st Engineering Co., Ltd. (中鐵二十三局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shandong Province, Shandong Province Finance Bureau, and Shandong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 23rd Bureau Group 4th Engineering Co., Ltd. (中鐵二十三局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 23rd Bureau Group Construction Design Institute Co., Ltd. (中鐵二十三局集團建築設計研究院有限公司) has been recognised as a High-tech Enterprise by Sichuan Provincial Science and Technology Department, Sichuan Provincial Department of Finance, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiary China Railway 23rd Bureau Group Electric Engineering Co., Ltd. (中鐵二十三局集團電務工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science & Technology Commission, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway 23rd Bureau Group (Hubei) Blasting Co., Ltd. (中鐵二十三局集團(湖北)爆破有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (6) its subsidiary China Railway 23rd Bureau Group Rail Transit Engineering Co., Ltd. (中鐵二十三局集團軌道交通工程有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 24th Bureau Group Co., Ltd. (中鐵二十四局集團有限公司): (1) its subsidiary China Railway 24th Bureau Group Shanghai Railway Construction Co., Ltd. (中鐵二十四局集團上海鐵建工程有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiaries including China Railway 24th Bureau Group Shanghai electrification Co., Ltd. (中鐵二十四局集團上海電務電化有限公司) and Shen Tie Fang Yuan Inspection Technology Co., Ltd. (申鐵方圓檢測科技有限公司) have been recognised as High-tech Enterprises by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 24th Bureau Group Jiangsu Construction Co., Ltd. (中鐵二十四局集團江蘇工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Jiangsu Province Finance Bureau, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary Fuzhou Minlong Railway Engineering Corporation Limited (福州閩龍鐵路工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Fujian Province, Fujian Province Finance Bureau, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (5) its subsidiary China Railway 24th Bureau Group Southwest Construction Co., Ltd. (中鐵二十四局集團西南建設有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway 25th Bureau Group Co., Ltd. (中鐵二十五局集團有限公司): (1) its subsidiary China Railway 25th Bureau Group 1st Engineering Co., Ltd. (中鐵二十五局集團第一工程有限公司) has been recognised as a High-tech Enterprise by Guangdong Provincial Science and Technology Department, Guangdong Provincial Department of Finance, and Guangdong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway 25th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十五局集團第二工程有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary China Railway 25th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十五局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiary China Railway 25th Bureau Group 4th Engineering Co., Ltd. (中鐵二十五局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Guangxi Zhuang Autonomous Region, Department of Finance of Guangxi Zhuang Autonomous Region, and Guangxi Zhuang Autonomous Region Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway 25th Bureau Group 5th Engineering Co., Ltd. (中鐵二十五局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Qingdao Science and Technology Bureau, Qingdao Municipal Bureau of Finance, and Qingdao Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2024 to 31 December 2026; (6) its subsidiaries including China Railway 25th Bureau Group Electric Engineering Co., Ltd. (中鐵二十五局集團電務工程有限公司) and China Railway Construction Dawan District Construction Co., Ltd. (中鐵建大灣區建設有限公司) have been recognised as High-tech Enterprises by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (7) its subsidiary Liuzhou Railway Engineering Quality Testing Center Co., Ltd. (柳州鐵路工程質量檢測中心有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Guangxi Zhuang Autonomous Region, Department of Finance of Guangxi Zhuang Autonomous Region, and Guangxi Zhuang Autonomous Region Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential income tax rate at 15% from 1 January 2023 to 31 December 2025; and (8) Guangzhou Tiecheng Engineering Inspection Co., Ltd. (廣州鐵誠工程質量檢測有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司): (1) China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiaries including China Railway Construction Group Infrastructure Construction Co., Ltd. (中鐵建設集團基礎設施建設有限公司), China Railway Construction Group Electromechanical Installation Co., Ltd. (中鐵建設集團機電安裝有限公司) and Beijing CRCC Installation Engineering Co., Ltd. (北京中鐵安裝工程有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway Construction Group South Engineering Co., Ltd. (中鐵建設集團南方工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (4) its subsidiaries including Beijing CRCC Decoration Engineering Co., Ltd. (北京中鐵裝飾工程有限公司), China Railway Construction Group Beijing Engineering Co. Ltd. (中鐵建設集團北京工程有限公司), and Beijing China Railway Construction Technology Co., Ltd. (北京中鐵建建築科技有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (5) its subsidiary China Railway Construction Group East China Engineering Co., Ltd. (中鐵建設集團華東工程有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiary China Railway Construction Group North China Engineering Co. Ltd. (中鐵建設集團華北工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Science and Technology Bureau, Tianjin Municipal Bureau of Finance, and Tianjin Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (7) its subsidiary China Railway Construction Group Central-south China Construction Co., Ltd. (中鐵建設集團中南建設有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (8) its subsidiary China Railway Construction Group Xi'an Engineering Co., Ltd. (中鐵建設集團西安工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Shaanxi Province, Department of Finance of Shaanxi Province, and Shaanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (9) its subsidiary China Railway Construction Construction Development (Hainan) Co., Ltd. (中鐵建設建築發展(海南)有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Hainan Province, Department of Finance of Hainan Province, and Hainan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Construction Electrification Bureau Group Co., Ltd. (中國鐵建電氣化局集團有限公司): (1) China Railway Construction Electrification Bureau Group Co., Ltd. (中國鐵建電氣化局集團有限公司) and its subsidiary Beijing CRCC Electrification Design Institute Co., Ltd. (北京中鐵建電氣化設計研究院有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway Construction Electrification Bureau Group 1st Engineering Co., Ltd. (中鐵建電氣化局集團第一工程有限公司) has been recognised as a High-tech Enterprise by the Henan Science and Technology Department, Henan Provincial Department of Finance, and Henan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway Construction Electrification Bureau Group 2nd Engineering Co., Ltd. (中國鐵建電氣化局集團第二工程有限公司) has been recognised as a High-tech Enterprise by the Shanxi Science and Technology Department, Department of Finance of Shanxi Province, and Shanxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary China Railway Construction Electrification Bureau Group 3rd Engineering Co., Ltd. (中鐵建電氣化局集團第三工程有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (5) its subsidiary China Railway Construction Electrification Bureau Group 5th Engineering Co., Ltd. (中國鐵建電氣化局集團第五工程有限公司) has been recognised as a High-tech Enterprise by Science & Technology Department of Sichuan Province, Sichuan Provincial Finance Department, and Sichuan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (6) its subsidiary China Railway Construction Electrification Bureau Group Science and Technology Co., Ltd. (中鐵建電氣化局集團科技有限公司) has been recognised as a High-tech Enterprise by Hebei Provincial Department of Science and Technology, Hebei Provincial Department of Finance, and Hebei Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (7) its subsidiary China Railway Construction Electrification Bureau Group Metro Engineering Machinery Co., Ltd. (中鐵建電氣化局集團軌道交通器材有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (8) its subsidiary China Railway Construction Electrification Bureau Group Operation Management Co., Ltd. (中鐵建電氣化局集團運營管理有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Hubei Province, Department of Finance of Hubei Province, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (9) its subsidiary China Railway Construction Electrification Bureau Group South Engineering Co., Ltd. (中鐵建電氣化局集團南方工程有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (10) its subsidiary China Railway Construction Electrification Bureau Group 4th Engineering Co., Ltd. (中鐵建電氣化局集團第四工程有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (11) its subsidiary China Railway Construction Electrification Bureau Group Kang Yuan New Material Co., Ltd. (中鐵建電氣化局集團康遠新材料有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Jiangsu Province, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (12) its subsidiary China Railway Construction Electrification Bureau Group North Engineering Co., Ltd. (中鐵建電氣化局集團北方工程有限公司) has been recognised as a High-tech Enterprise by the Shanxi Science and Technology Department, Department of Finance of Shanxi Province, and Shanxi Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026;

CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司): (1) CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (2) its subsidiary CRCC Harbour and Channel Engineering Bureau Group Survey & Design Institute Co., Ltd. (中鐵建港航局集團勘察設計院有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Urban Construction Group Co., Ltd. (中鐵城建集團有限公司): (1) China Railway Urban Construction Group Co., Ltd. (中鐵城建集團有限公司) has been recognised as a High-tech Enterprise by Hunan Provincial Science and Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary China Railway Urban Construction Group 1st Engineering Co., Ltd. (中鐵城建集團第一工程有限公司) has been recognised as a High-tech Enterprise by Shanxi Provincial Science and Technology Department, Shanxi Provincial Department of Finance, and Shanxi Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (3) its subsidiary China Railway Urban Construction Group 2nd Engineering Co., Ltd. (中鐵城建集團第二工程有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway Urban Construction Group 3rd Engineering Co., Ltd. (中鐵城建集團第三工程有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (5) its subsidiary Beijing Engineering Company Limited of China Railway Urban Construction Group (中鐵城建集團北京工程有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (6) its subsidiary China Railway Urban Construction Group Nanchang Construction Co., Ltd. (中鐵城建集團南昌建設有限公司) has been recognised as a High-tech Enterprise by Jiangxi Provincial Science and Technology Department, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; and (7) its subsidiaries including China Railway Urban Construction Group Urban Operation Services Co., Ltd. (中鐵城建集團城市運營服務有限公司) and China Railway Urban Construction Group Construction Technology Co., Ltd. (中鐵城建集團建築科技有限公司) have been recognised as High-tech Enterprises by China Hunan Provincial Science & Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司): (1) China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司) and its subsidiary Railway SIYUAN (Hubei) Engineering Supervision Consulting Co., Ltd. (鐵四院(湖北)工程監理諮詢有限公司) have been recognised as High-tech Enterprises by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023 and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary Wuhan Railway SIYUAN Engineering Consulting Co., Ltd. (武漢鐵四院工程諮詢有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; (3) its subsidiary China Railway SIYUAN Survey and Design Group Nanning Survey and Design Institute Co., Ltd. (中鐵四院集團南寧勘察設計院有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangxi Zhuang Autonomous Region, Department of Finance of Guangxi Zhuang Autonomous Region, and Guangxi Zhuang Autonomous Region Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (4) its subsidiary China Railway SIYUAN Survey and Design Group Southwest Survey and Design Institute Co., Ltd. (中鐵四院集團西南勘察設計有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Yunnan Province, Department of Finance of Yunnan Province, and Yunnan Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (5) its subsidiary China Railway SIYUAN Survey and Design Group New Type Rail Transit Design & Research Co., Ltd. (中鐵四院集團新型軌道交通設計研究有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Department of Finance of Jiangsu Province, and Jiangsu Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (6) its subsidiary Haixia (Fujian) Transportation Engineering Design Co., Ltd. (海峽(福建)交通工程設計有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Fujian Province, Department of Finance of Fujian Province, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (7) its subsidiary China Railway Siyuan Group Guangzhou Designing Institute Co., Ltd. (廣東省鐵路規劃設計研究院有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Department of Finance of Guangdong Province, and Guangdong Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (8) its subsidiary China Railway SIYUAN Survey and Design Group Operation and Maintenance Co., Ltd. (中鐵四院集團工程運維有限責任公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2024 and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (9) its subsidiary Tiesiyuan Wuhan Testing Technology Co., Ltd. (鐵四院武漢檢測技術有限公司) has been recognised as a High-tech Enterprise by Hubei Provincial Science and Technology Department, Hubei Provincial Department of Finance, and Hubei Provincial Tax Service, State Taxation Administration since 2023 and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司): (1) China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司) and its subsidiaries including Beijing Tieyan Construction Supervision Co., Ltd. (北京鐵研建設監理有限責任公司), Beijing China Railway Ecological Environment Design Institute Co., Ltd. (北京中鐵生態環境設計院有限公司), Beijing Railway Fifth Group Engineering Machinery Co., Ltd. (北京鐵五院工程機械有限公司), Beijing Tiecheng GIGNA Engineering Testing Co., Ltd. (北京鐵城檢測認證有限公司) and China Railway Construction Engineering General Contracting (Beijing) Co., Ltd. (中鐵建工程總承包(北京)有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (2) its subsidiary Beijing Tiecheng Engineering Consulting Co., Ltd. (北京鐵城工程諮詢有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (3) its subsidiary Quzhou Communication Design Co., Ltd (衢州市交通設計有限公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司): (1) China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; (2) its subsidiary Shanghai Xianxing Construction Supervision Co., Ltd. (上海先行建設監理有限公司) has been recognised as a High-tech Enterprise by Shanghai Municipal Science & Technology Commission, Shanghai Finance Bureau, and Shanghai Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (3) its subsidiary Hangzhou Railway Design Institute Co., Ltd. (杭州鐵路設計院有限責任公司) has been recognised as a High-tech Enterprise by Zhejiang Provincial Science and Technology Bureau, Zhejiang Provincial Department of Finance, and Zhejiang Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025; (4) its subsidiary Nanchang Railway Survey and Design Institute Co., Ltd. (南昌鐵路勘測設計院有限責任公司) has been recognised as a High-tech Enterprise by Jiangxi Provincial Science and Technology Department, Jiangxi Provincial Department of Finance, and Jiangxi Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026; and (5) its subsidiary China Railway Shanghai Design Institute Group Hefei Co., Ltd. (中鐵上海設計院集團合肥有限公司) has been recognised as a High-tech Enterprise by Department of Science and Technology of Anhui Province, Anhui Provincial Department of Finance, and Anhui Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司): China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司) and its subsidiary Zhuzhou China Railway Electric Materials Co., Ltd. (株洲中鐵電氣物資有限公司) have been recognised as High-tech Enterprises by China Hunan Provincial Science & Technology Department, Hunan Provincial Department of Finance, and Hunan Provincial Tax Service, State Taxation Administration since 2023, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Civil Engineering Construction Corporation (中國土木工程集團有限公司): its subsidiary China Railway CCECC Fuzhou Survey & Design Institute Co., Ltd. (中土集團福州勘察設計研究院有限公司) has been recognised as a High-tech Enterprise by Fujian Provincial Department of Science and Technology, Fujian Provincial Department of Finance, and Fujian Provincial Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司): its subsidiary Suzhou Traffic Design Research Institute Co., Ltd. (中鐵建蘇州設計研究院有限公司) has been recognised as a High-tech Enterprise by Jiangsu Provincial Science and Technology Department, Jiangsu Provincial Department of Finance, and Jiangsu Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024.

CRCC High-Tech Equipment Corporation Limited (中國鐵建高新裝備股份有限公司): (1) CRCC High-Tech Equipment Corporation Limited (中國鐵建高新裝備股份有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Yunnan Province, Yunnan Province Finance Bureau, and Yunnan Provincial Tax Service, State Taxation Administration since 2022, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary Beijing Ruiweitong Engineering Machinery Co., Ltd. (北京瑞維通工程機械有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

CRCC Development Group Co., Ltd. (中鐵建發展集團有限公司): (1) CRCC Development Group Co., Ltd. (中鐵建發展集團有限公司) and its subsidiary CRCC Cyber Information Technology Co., Ltd. (中鐵建網絡信息科技有限公司) have been recognised as High-tech Enterprises by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2022, and are entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2022 to 31 December 2024; and (2) its subsidiary Chenghe RuiZheng Risk Management Consulting Co., Ltd. (誠合瑞正風險管理諮詢有限公司) has been recognised as a High-tech Enterprise by Beijing Municipal Science & Technology Commission, Beijing Finance Bureau, and Beijing Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

Other preferential tax for the Company's subsidiaries (Continued)

China Railway Material Group Co., Ltd. (中鐵物資集團有限公司): its subsidiary Pangu Cloud Chain (Tianjin) Digital Technology Co., Ltd. (盤古雲鏈(天津)數字科技有限公司) has been recognised as a High-tech Enterprise by Tianjin Municipal Science and Technology Bureau, Tianjin Finance Bureau, and Tianjin Municipal Tax Service, State Taxation Administration since 2023, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2023 to 31 December 2025.

China Railway Construction Group South China Construction Co., Ltd. (中鐵建華南建設有限公司): its subsidiary China Railway Construction South China Construction (Guangzhou) High Tech Industry Co., Ltd. (中鐵建華南建設(廣州)高科技產業有限公司) has been recognised as a High-tech Enterprise by Department of Science & Technology of Guangdong Province, Guangdong Province Finance Bureau, and Guangdong Provincial Tax Service, State Taxation Administration since 2024, and is entitled to enjoy the preferential enterprise income tax rate at 15% from 1 January 2024 to 31 December 2026.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

RMB'000

Item	31 December 2024	31 December 2023
Cash on hand	**57,041**	66,019
Cash at banks	**169,253,199**	153,806,061
Other cash and bank balances	**11,149,207**	8,626,759
Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**5,243,668**	4,458,998
Total	**185,703,115**	166,957,837

The restricted cash and bank balances of the Group are stated in Note V. 66.

As at 31 December 2024, the Group held foreign cash and bank balances amounting to RMB15,001,504,000 (31 December 2023: RMB11,280,052,000), certain cash and bank balances deposited in certain countries or regions that were subject to foreign exchange control were not freely convertible into other currencies or remitted out of those countries. As at 31 December 2024, the Group's cash and bank balances denominated in foreign currencies which were deposited in aforesaid countries or regions and subject to foreign exchange control were not freely convertible into other currencies or remitted out represented less than 3% (31 December 2023: less than 3%) of the cash and bank balances in the Group's consolidated statement of financial position.

RMB'000

Item	31 December 2024	31 December 2023
Cash and bank balances at the end of the year	**185,703,115**	166,957,837
Less: Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**5,243,668**	4,458,998
Less: Other restricted cash and bank balances	**11,116,121**	8,601,659
Less: Non-pledged time deposits with original maturity of three months or more when acquired	**1,971,706**	1,259,403
Cash and cash equivalents at the end of the year	**167,371,620**	152,637,777

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets

RMB'000

Item	31 December 2024	31 December 2023
Equity instruments	**500,592**	467,563
Others	**1,032,524**	1,162,222
Total	**1,533,116**	1,629,785

3. Bills receivable

RMB'000

Item	31 December 2024	31 December 2023
Commercial acceptance bills	**2,948,728**	2,996,061
Bank acceptance bills	**289,620**	249,332
Less: Allowance for credit losses	**12,904**	16,352
Total	**3,225,444**	3,229,041

As at 31 December 2024, the Group had RMB163,150,000 (31 December 2023: RMB139,522,000) non-matured bills receivable which had right of recourse and had been endorsed to other parties. The Group did not derecognise those bills receivable as the Group considered that all risks and rewards of the ownership had not been transferred from the endorsed bills receivable.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Bills receivable (Continued)

Bills receivable and allowance for credit losses by category are listed as follows:

RMB'000

Category	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	**3,238,348**	**100.00**	**12,904**	**0.40**	**3,225,444**
Total	**3,238,348**	**100.00**	**12,904**	**0.40**	**3,225,444**

RMB'000

Category	31 December 2023				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	3,245,393	100.00	16,352	0.50	3,229,041
Total	3,245,393	100.00	16,352	0.50	3,229,041

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Receivables at FVTOCI

RMB'000

Item	31 December 2024	31 December 2023
Bank acceptance bills	**1,644,048**	2,723,520
Total	**1,644,048**	2,723,520

As at 31 December 2024, the Group had RMB1,853,970,000 (31 December 2023: RMB2,272,750,000) non-matured bills receivable which had right of recourse and had been discounted or endorsed to other parties. The Group derecognised those bills receivable as the Group considered that all risks and rewards of the ownership had been transferred from the discounted or endorsed bills receivable since there was extremely low risk of the acceptor's inability to cash the bills upon expiry due to the acceptor's good reputation.

5. Trade receivables

An aging analysis of trade receivables is listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Within 1 year	**162,675,624**	116,204,747
1 to 2 years	**30,501,327**	32,760,675
2 to 3 years	**15,896,386**	12,597,237
Over 3 years	**16,130,548**	12,285,145
Subtotal	**225,203,885**	173,847,804
Less: Allowance for credit losses	**20,444,647**	18,038,737
Total	**204,759,238**	155,809,067

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

Movements in allowance for credit losses for trade receivables are listed as follows:

RMB'000

Item	2024	2023
Opening balance of the current year	**18,038,737**	15,215,783
Provision for the year	**4,678,954**	4,567,847
Less: Reversal for the year	**1,642,750**	1,337,239
Less: Write-off for the year	**7,229**	7,926
Others	**(623,065)**	(399,728)
Closing balance of current year	**20,444,647**	18,038,737

The movements in detail of allowance for credit losses for the year ended 31 December 2024 are presented in Note VIII. 3.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

Trade receivables and allowance for credit losses by category are listed as follows:

RMB'000

Category	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	**32,626,838**	**14.49**	**13,311,084**	**40.80**	**19,315,754**
Allowance for credit losses assessed by credit risk portfolio	**192,577,047**	**85.51**	**7,133,563**	**3.70**	**185,443,484**
Total	**225,203,885**	**100.00**	**20,444,647**	**9.08**	**204,759,238**

RMB'000

Category	31 December 2023				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	30,576,721	17.59	11,834,741	38.71	18,741,980
Allowance for credit losses assessed by credit risk portfolio	143,271,083	82.41	6,203,996	4.33	137,067,087
Total	173,847,804	100.00	18,038,737	10.38	155,809,067

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

As at 31 December 2024, trade receivables whose allowance for credit losses were assessed individually are listed as follows:

RMB'000

Company name	Gross carrying amount	31 December 2024 Allowance for credit losses	Provision percentage *(%)*	Reasons
Company 1	830,517	504,696	60.77	*Note*
Company 2	683,997	282,950	41.37	*Note*
Company 3	608,084	137,622	22.63	*Note*
Company 4	600,322	302,658	50.42	*Note*
Company 5	575,639	386,645	67.17	*Note*
Others	29,328,279	11,696,513	39.88	–
Total	32,626,838	13,311,084	40.80	–

Note: According to the recoverability of trade receivables, the Group recorded allowance for credit losses.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

As at 31 December 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows:

Portfolio 1:

RMB'000

	31 December 2024			
	Gross carrying amount		Allowance for credit losses	
Aging	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	104,962,143	83.96	1,182,709	1.13
1 to 2 years	13,376,857	10.70	784,674	5.87
2 to 3 years	4,194,704	3.36	582,672	13.89
Over 3 years	2,481,132	1.98	1,337,064	53.89
Total	125,014,836	100.00	3,887,119	3.11

Portfolio 2:

RMB'000

	31 December 2024			
	Gross carrying amount		Allowance for credit losses	
Aging	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	14,288,845	83.69	101,332	0.71
1 to 2 years	1,577,813	9.24	87,142	5.52
2 to 3 years	908,805	5.32	102,217	11.25
Over 3 years	297,189	1.75	188,437	63.41
Total	17,072,652	100.00	479,128	2.81

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

As at 31 December 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows: (Continued)

Portfolio 3:

RMB'000

	31 December 2024			
	Gross carrying amount		Allowance for credit losses	
Aging	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	5,761,427	68.39	49,369	0.86
1 to 2 years	1,179,340	14.00	77,363	6.56
2 to 3 years	943,988	11.21	133,789	14.17
Over 3 years	539,948	6.40	337,087	62.43
Total	8,424,703	100.00	597,608	7.09

Portfolio 4:

RMB'000

	31 December 2024			
	Gross carrying amount		Allowance for credit losses	
Aging	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	6,386,337	71.36	39,002	0.61
1 to 2 years	2,299,217	25.69	70,815	3.08
2 to 3 years	253,649	2.83	16,779	6.62
Over 3 years	9,831	0.12	3,225	32.80
Total	8,949,034	100.00	129,821	1.45

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

As at 31 December 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows: (Continued)

Portfolio 5:

RMB'000

	31 December 2024			
	Gross carrying amount		Allowance for credit losses	
Aging	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	25,683,231	77.56	399,318	1.55
1 to 2 years	3,892,322	11.75	310,162	7.97
2 to 3 years	2,191,478	6.62	409,502	18.69
Over 3 years	1,348,791	4.07	920,905	68.28
Total	33,115,822	100.00	2,039,887	6.16

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Trade receivables (Continued)

As at 31 December 2024, top five entities with the largest balances of trade receivables and contract assets are listed as follows:

RMB'000

Company name	Relationship with the Group	Closing balance of trade receivables	Closing balance of contract assets	Closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets *(%)*	Closing balance of allowance for credit losses on trade receivables and contract assets
Company 1	Third party	1,531,332	1,328,644	2,859,976	0.41	16,530
Company 2	Third party	1,314,824	379,656	1,694,480	0.24	8,472
Company 3	Third party	986,232	172,849	1,159,081	0.17	5,014
Company 4	Third party	971,050	1,294,887	2,265,937	0.32	11,330
Company 5	Third party	898,672	766,638	1,665,310	0.24	12,395
Total	–	5,702,110	3,942,674	9,644,784	1.38	53,741

For the year ended 31 December 2024, the write-off of trade receivables amounted to RMB7,229,000 (for the year ended 31 December 2023: RMB7,926,000).

The restricted trade receivables of the Group are stated in Note V. 66.

For the year ended 31 December 2024, the Group derecognised trade receivables of RMB33,431,290,000 (for the year ended 31 December 2023: RMB93,749,094,000) due to transfer of financial assets and recognised losses from derecognition of financial assets, amounting to RMB1,508,406,000 (for the year ended 31 December 2023: RMB4,724,702,000).

Assets and liabilities recognised due to continuing involvement in the transferred trade receivables:

As at 31 December 2024, the Group recognised assets of RMB794,241,000 and liabilities of RMB794,241,000 (as at 31 December 2023: RMB948,545,000 and RMB948,545,000) related to continuing involvement in transferred trade receivables.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Advances to suppliers

An aging analysis of advances to suppliers is listed as follows:

RMB'000

Aging	31 December 2024 Gross carrying amount	31 December 2024 Percentage (%)	31 December 2023 Gross carrying amount	31 December 2023 Percentage (%)
Within 1 year	**22,722,875**	**98.33**	21,092,189	97.14
1 to 2 years	**215,876**	**0.93**	461,006	2.12
2 to 3 years	**128,659**	**0.56**	136,313	0.63
Over 3 years	**42,624**	**0.18**	23,121	0.11
Total	**23,110,034**	**100.00**	21,712,629	100.00

As at 31 December 2024, there were no advances to suppliers with significant balances aged over one year.

As at 31 December 2024, advances to the five largest suppliers are listed as follows:

RMB'000

Company name	Relationship with the Group	Amount	Time for prepayment	Percentage of total advances to suppliers (%)
Company 1	**Third party**	**178,254**	**Within 1 year**	**0.77**
Company 2	**Third party**	**145,916**	**Within 1 year**	**0.63**
Company 3	**Third party**	**137,882**	**Within 1 year**	**0.60**
Company 4	**Third party**	**107,040**	**Within 1 year**	**0.46**
Company 5	**Third party**	**103,397**	**Within 1 year**	**0.45**
Total	**–**	**672,489**	**–**	**2.91**

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

An aging analysis of other receivables is listed as follows:

RMB'000

Aging	31 December 2024	31 December 2023
Within 1 year	**43,082,559**	37,507,915
1 to 2 years	**12,510,236**	9,465,575
2 to 3 years	**5,558,155**	6,561,547
Over 3 years	**11,938,927**	9,637,284
Subtotal	**73,089,877**	63,172,321
Less: Allowance for credit losses	**7,264,462**	6,269,706
Total	**65,825,415**	56,902,615

Movements in the allowance for credit losses of other receivables are listed as follows:

RMB'000

Item	2024	2023
Opening balance of the current year	**6,269,706**	4,941,384
Provision for the year	**1,724,349**	1,864,167
Less: Reversal for the year	**674,790**	472,227
Less: Write-off for the year	**29,031**	54,945
Others	**(25,772)**	(8,673)
Closing balance of the current year	**7,264,462**	6,269,706

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(1) As at 31 December 2024, analysis of allowance for credit losses of other receivables at phase I by credit risk portfolio is listed as follows:

RMB'000

Nature	Gross carrying amount	Allowance for credit losses	Provision percentage *(%)*
Loans for cooperative development project	27,678,567	382,878	1.38
Security deposit and cash pledged	16,205,769	1,001,486	6.18
Advance payments	8,358,063	403,985	4.83
Others	10,197,108	647,959	6.35
Total	62,439,507	2,436,308	3.90

(2) As at 31 December 2024, analysis of allowance for credit losses of other receivables at phase II is listed as follows:

RMB'000

Category	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage *(%)*	Amount	Percentage *(%)*	
Allowance for credit losses assessed individually	4,239,926	69.44	976,314	23.03	3,263,612
Allowance for credit losses assessed by credit risk portfolio	1,866,014	30.56	276,750	14.83	1,589,264
Total	6,105,940	100.00	1,253,064	20.52	4,852,876

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(2) As at 31 December 2024, analysis of allowance for credit losses of other receivables at phase II is listed as follows: (Continued)

Allowance for credit losses assessed individually of other receivables are listed as follows:

RMB'000

Company name	31 December 2024 Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reasons
Company 1	2,500,872	560,059	22.39	Note
Company 2	913,244	232,895	25.50	Note
Company 3	825,810	183,360	22.20	Note
Total	4,239,926	976,314	23.03	–

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

As at 31 December 2024, analysis of allowance for credit losses assessed by credit risk portfolio of other receivables at phase II is listed as follows:

RMB'000

Nature	Gross carrying amount	Allowance for credit losses	Proportion %
Security deposit and cash pledged	941,684	151,703	16.11
Advance payments	220,328	31,524	14.31
Others	704,002	93,523	13.28
Total	1,866,014	276,750	14.83

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) As at 31 December 2024, analysis of allowance for credit losses of other receivables at phase III is listed as follows:

RMB'000

Category	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	3,113,759	68.52	2,372,083	76.18	741,676
Allowance for credit losses assessed by credit risk portfolio	1,430,671	31.48	1,203,007	84.09	227,664
Total	4,544,430	100.00	3,575,090	78.67	969,340

Allowance for credit losses assessed individually of other receivables is listed as follows:

RMB'000

Company name	31 December 2024			
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reasons
Company 1	599,557	374,376	62.44	Note
Company 2	564,348	86,478	15.32	Note
Company 3	156,167	156,167	100.00	Note
Company 4	150,000	150,000	100.00	Note
Company 5	118,947	118,947	100.00	Note
Others	1,524,740	1,486,115	97.47	–
Total	3,113,759	2,372,083	76.18	–

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

For the year ended 31 December 2024, the write-off of other receivables amounted to RMB29,031,000 (for the year ended 31 December 2023: RMB54,945,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

Gross carrying amount of other receivables categorised by nature is listed as follows:

RMB'000

Nature	31 December 2024	31 December 2023
Loans for cooperative development project	**32,518,153**	29,566,393
Security deposit and cash pledged	**18,690,040**	15,831,424
Advance payments	**9,272,492**	7,136,375
Others	**12,609,192**	10,638,129
Total	**73,089,877**	63,172,321

As at 31 December 2024, other receivables from the five largest customers are listed as follows:

RMB'000

Company name	Relationship with the Group	Closing balance	Percentage of total balance of other receivables *(%)*	Nature	Aging	Allowance for credit losses
Company 1	Joint Venture	2,500,872	3.42	Loans for cooperative development project	Over 5 years	560,059
Company 2	Joint Venture	2,296,318	3.14	Loans for cooperative development project	Within 2 years	1,610
Company 3	Joint Venture	1,830,180	2.50	Loans for cooperative development project	Within 5 years	1,873
Company 4	Associate	1,350,614	1.85	Loans for cooperative development project	Within 4 year	1,351
Company 5	Joint Venture	1,313,942	1.80	Loans for cooperative development project	Over 5 years	70,612
Total	–	9,291,926	12.71	–	–	635,505

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

RMB'000

Item	31 December 2024 Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	**20,534,538**	**34,771**	**20,499,767**
Work in progress	**5,846,026**	**20,868**	**5,825,158**
Finished goods	**7,693,800**	**97,062**	**7,596,738**
Turnover materials	**14,063,189**	**99,514**	**13,963,675**
Properties under development *(1)*	**164,973,827**	**1,435,764**	**163,538,063**
Completed properties held for sale *(2)*	**78,274,644**	**3,581,687**	**74,692,957**
Total	**291,386,024**	**5,269,666**	**286,116,358**

RMB'000

Item	31 December 2023 Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	20,759,846	33,381	20,726,465
Work in progress	5,108,554	–	5,108,554
Finished goods	8,436,234	109,436	8,326,798
Turnover materials	13,229,591	99,514	13,130,077
Properties under development *(1)*	191,963,579	1,274,694	190,688,885
Completed properties held for sale *(2)*	72,157,755	2,495,742	69,662,013
Total	311,655,559	4,012,767	307,642,792

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

Movements in the provision for decline in value of inventories are listed as follows:

RMB'000

Item	1 January 2024	Additions		Reductions		31 December 2024
		Provision	Others	Reversal	Write-off and Others	
Raw materials	33,381	1,749	–	359	–	34,771
Work in progress	–	20,868	–	–	–	20,868
Finished goods	109,436	12,869	–	2,027	23,216	97,062
Turnover materials	99,514	–	–	–	–	99,514
Properties under development	1,274,694	263,951	4,376	–	107,257	1,435,764
Completed properties held for sale	2,495,742	1,673,867	107,257	–	695,179	3,581,687
Total	4,012,767	1,973,304	111,633	2,386	825,652	5,269,666

RMB'000

Item	1 January 2023	Additions	Reductions		31 December 2023
		Provision	Reversal	Write-off and Others	
Raw materials	34,073	2,554	1,314	1,932	33,381
Finished goods	19,083	97,176	–	6,823	109,436
Turnover materials	99,514	–	–	–	99,514
Properties under development	962,053	318,365	–	5,724	1,274,694
Completed properties held for sale	1,820,430	1,098,833	–	423,521	2,495,742
Total	2,935,153	1,516,928	1,314	438,000	4,012,767

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(1) Details of the properties under development are listed as follows:

RMB'000

Project name	Construction commencement date	Estimated latest completion date	Estimated aggregate investment amount	31 December 2024	31 December 2023
City Throne Project	October 2023	December 2025	7,104,650	**6,667,144**	3,017,306
Tiejian City Project	February 2022	June 2025	10,613,156	**4,637,152**	4,297,863
Tianjin Xipai Guoyin Project	October 2018	September 2027	9,092,739	**4,148,029**	5,305,364
Shanghai Riverside Mansion Project	September 2023	October 2025	4,515,244	**3,762,674**	6,856,976
New Xidu Project	June 2023	November 2025	4,457,350	**3,277,609**	2,762,451
Tiejian City (Guiyang) Project	August 2020	June 2025	3,792,080	**3,235,432**	2,758,690
Chengdu Wuhou City Park Pure Project	November 2023	August 2025	4,351,390	**3,103,725**	2,689,247
CRCC Chongqing City Park Project	January 2022	June 2026	5,575,299	**2,885,886**	2,446,014
Chongqing Shanyu Taoyuan Project	June 2022	December 2026	5,088,377	**2,875,371**	2,987,553
Xingyue Hubin Project	August 2022	April 2025	3,090,650	**2,740,772**	2,500,163
Hefei Huayu Jiangnan Project	November 2023	June 2025	3,217,120	**2,574,280**	2,277,865
CRCC South China Headquarters Building Project	October 2022	June 2027	5,504,825	**2,508,729**	2,345,187
CRCC Taiyuan Huayutang Project	March 2019	June 2025	2,906,519	**2,485,689**	2,323,965
Xipai Xiyue Project	December 2023	November 2025	3,235,080	**2,383,038**	921,848
CRCC Xiong'an Tiejian Center Project	May 2022	January 2025	8,670,665	**2,266,640**	1,992,052
CRCC Yuanshidai Project	November 2022	October 2025	3,701,310	**2,248,283**	1,893,946
CRCC Guijiao Qinfengyasong Project	October 2023	December 2026	4,044,610	**2,244,273**	965,294
CRCC Huayu City Project	July 2020	January 2026	3,966,343	**2,189,336**	2,730,762
Xipai Yiyuan	March 2023	April 2025	2,544,980	**2,078,691**	1,642,709
Others	–	–	367,593,031	**106,661,074**	139,248,324
Total	–	–	463,065,418	**164,973,827**	191,963,579

As at 31 December 2024, the aggregate carrying amount of borrowing costs capitalised in properties under development was RMB14,064,043,000 (31 December 2023: RMB13,646,498,000). Borrowing costs capitalised for the year ended 31 December 2024 amounted to RMB5,222,299,000 (for the year ended 31 December 2023: RMB5,795,870,000). The capitalisation rates of borrowing costs ranged from 2.10%~7.00% (for the year ended 31 December 2023: 2.55%~7.00%).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(2) Details of the completed properties held for sale are listed as follows:

RMB'000

Project name	Latest completion date	1 January 2024 Gross carrying amount	Additions	Reductions	31 December 2024 Gross carrying amount
Chengdu Qingyang City Park Junior Project	December 2024	–	3,298,517	–	**3,298,517**
Wenzhou Lucheng Future Community	November 2024	187,165	7,831,672	5,390,830	**2,628,007**
Guiyang CRCC International City Project	October 2024	1,726,754	456,432	220,977	**1,962,209**
CRCC Xipai Yujiang Project	April 2024	2,446,361	70,216	579,632	**1,936,945**
Tianjin Xipai Guoyin Project	November 2024	1,671,467	1,301,635	1,162,732	**1,810,370**
Nanjing Huayu Tainjingfu Project	December 2024	–	1,791,337	169,462	**1,621,875**
Xipai Huanhua Project	December 2021	1,695,701	82,386	161,998	**1,616,089**
Jinyue Mingdi Project	December 2024	–	1,578,938	–	**1,578,938**
Xipai Chenyue Project	September 2023	1,867,050	–	418,020	**1,449,030**
Florissa Project	August 2023	1,496,333	–	158,603	**1,337,730**
CRCC Huayutang Project	December 2024	2,838,740	192,005	1,736,729	**1,294,016**
CRCC Chongqing Xipai City Project	December 2021	1,234,609	–	39,355	**1,195,254**
CRCC Haiyu East Coast North Zone Project	December 2024	–	1,306,464	117,050	**1,189,414**
Qingdao CRCC Plaza Project	December 2023	1,399,577	–	237,373	**1,162,204**
Wutong Qianshan Project	June 2022	1,131,200	34,963	9,426	**1,156,737**
CRCC Future City Project	December 2023	1,478,512	–	321,419	**1,157,093**
Jinan Wutongyuan Project	July 2024	211,640	1,223,188	293,699	**1,141,129**
Guangzhou Xipai Yuefu Project	December 2024	–	2,117,507	982,989	**1,134,518**
Chengdu Beihu Xinqu Project	December 2019	1,123,178	4,434	–	**1,127,612**
CRCC Wutong Garden Project	December 2021	1,273,228	–	149,746	**1,123,482**
Others	–	50,376,240	54,614,137	57,636,902	**47,353,475**
Total	–	72,157,755	75,903,831	69,786,942	**78,274,644**

The restricted inventories of the Group are stated in Note V. 66.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets

Contract assets are from the Group's construction operations. The Group provides construction services in accordance with the construction contract entered into with customers and recognises revenue based on performance progress over the contract period. According to the contract term, customers of the Group make progress billings with the Group based on the performance progress and make payment for the progress billings within the credit term. Revenue recognised based on performance progress in excess of progress billings is presented as contract asset, and is disclosed in contract assets/other non-current assets based on liquidity. While progress billings in excess of revenue recognised based on performance progress is presented as contract liabilities.

RMB'000

Item	31 December 2024	31 December 2023
Contract assets	**310,952,504**	299,830,365
Less: Provision for impairment losses on contract assets	**6,202,878**	8,048,261
Total	**304,749,626**	291,782,104

Movements in provision for impairment losses on contract assets are listed as follows:

RMB'000

Item	2024	2023
Opening balance of current year	**8,048,261**	6,683,222
Provision for the year	**1,115,686**	1,982,624
Less: Reversal for the year	**940,046**	617,280
Less: Write-off for the year	**2,506,572**	–
Others	**485,549**	(305)
Closing balance of current year	**6,202,878**	8,048,261

The movements in provision for impairment losses for contract assets for the year ended 31 December 2024 are presented in Note VIII. 3.

The restricted contract assets of the Group are stated in Note V. 66.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

Contract assets and provision for impairment losses for contract assets by category are listed as follows:

RMB'000

	31 December 2024				
	Gross carrying amount		Provision for impairment of assets		
Category	**Amount**	**Percentage** *(%)*	**Amount**	**Percentage** *(%)*	**Carrying amount**
Provision for impairment of assets assessed individually	**24,426,629**	**7.86**	**4,509,706**	**18.46**	**19,916,923**
Provision for impairment of assets assessed by credit risk portfolio	**286,525,875**	**92.14**	**1,693,172**	**0.59**	**284,832,703**
Total	**310,952,504**	**100.00**	**6,202,878**	**1.99**	**304,749,626**

RMB'000

	31 December 2023				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage *(%)*	Amount	Percentage *(%)*	Carrying amount
Provision for impairment of assets assessed individually	27,544,204	9.19	6,359,023	23.09	21,185,181
Provision for impairment of assets assessed by credit risk portfolio	272,286,161	90.81	1,689,238	0.62	270,596,923
Total	299,830,365	100.00	8,048,261	2.68	291,782,104

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

As at 31 December 2024, contract assets whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows:

RMB'000

	Gross carrying amount	Provision for impairment of assets	
		Amount	Percentage *(%)*
Portfolio 1	**246,656,725**	**1,328,471**	**0.54**
Portfolio 2	**13,330,973**	**78,634**	**0.59**
Portfolio 3	**3,853,400**	**20,428**	**0.53**
Portfolio 4	**22,684,777**	**265,639**	**1.17**
Total	**286,525,875**	**1,693,172**	**0.59**

10. Current portion of non-current assets

RMB'000

	31 December 2024	31 December 2023
Current portion of long-term receivables *(Note V, 13)*	**22,542,952**	15,013,463
Current portion of retention receivables *(Note V, 25)*	**9,741,899**	7,533,560
Current portion of other debt investments	**–**	6,963,058
Current portion of debt investments *(Note V, 15)*	**–**	21,728
Total	**32,284,851**	29,531,809

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Other current assets

RMB'000

Item	31 December 2024	31 December 2023
Prepaid taxes and VAT input to be deducted	**23,260,649**	22,469,099
Reverse repurchase of treasury bonds	**4,999,960**	2,999,989
Interbank negotiable certificates of deposit	**4,968,995**	–
Others	**1,793,926**	1,362,344
Total	**35,023,530**	26,831,432

12. Loans and advances to customers

RMB'000

Item	31 December 2024	31 December 2023
Loans to customers	**1,140,201**	1,686,305

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables

RMB'000

Item	31 December 2024		
	Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term project receivables	102,067,402	2,554,178	99,513,224
PPP project receivables	9,312,650	81,856	9,230,794
Primary land development receivables	26,845,072	217,767	26,627,305
Others	30,766,213	1,088,226	29,677,987
Total	168,991,337	3,942,027	165,049,310
Less: Current portion of non-current assets:	22,971,133	428,181	22,542,952
Including: Long-term project receivables	10,136,049	258,458	9,877,591
PPP project receivables	2,533,897	34,438	2,499,459
Primary land development receivables	8,532,608	126,451	8,406,157
Others	1,768,579	8,834	1,759,745
Long-term receivables due after one year	146,020,204	3,513,846	142,506,358

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (Continued)

RMB'000

Item	31 December 2023 Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term project receivables	67,686,218	2,314,022	65,372,196
PPP project receivables	10,463,336	76,660	10,386,676
Primary land development receivables	20,704,036	106,952	20,597,084
Others	29,521,058	1,004,473	28,516,585
Total	128,374,648	3,502,107	124,872,541
Less: Current portion of non-current assets:	15,216,381	202,918	15,013,463
Including: Long-term project receivables	4,392,424	56,187	4,336,237
PPP project receivables	2,235,505	32,121	2,203,384
Primary land development receivables	3,756,602	19,033	3,737,569
Others	4,831,850	95,577	4,736,273
Long-term receivables due after one year	113,158,267	3,299,189	109,859,078

The Group assesses ECL of long-term receivables on an individual or a collective basis of credit risk characteristics.

RMB'000

Category	31 December 2024 Gross carrying amount Amount	Percentage (%)	Allowance for credit losses Amount	Provision percentage (%)	Carrying amount
Allowance for credit losses assessed individually	**5,287,681**	**3.13**	**2,255,172**	**42.65**	**3,032,509**
Allowance for credit losses assessed by credit risk portfolio	**163,703,656**	**96.87**	**1,686,855**	**1.03**	**162,016,801**
Total	**168,991,337**	**100.00**	**3,942,027**	**2.33**	**165,049,310**

As at 31 December 2024, long-term receivables with significant financing component were presented in accordance with the net amount after discount. The discount rate is 3.65%-4.75% (31 December 2023: 3.65%-5.50%).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (Continued)

As at 31 December 2024, allowance for credit losses assessed individually of long-term receivables is listed as follows:

RMB'000

Company name	31 December 2024 Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reasons
Company 1	1,108,644	346,485	31.25	*Note*
Company 2	665,736	430,768	64.71	*Note*
Company 3	294,886	82,155	27.86	*Note*
Company 4	271,215	56,618	20.88	*Note*
Company 5	267,497	151,760	56.73	*Note*
Others	2,679,703	1,187,386	44.31	–
Total	5,287,681	2,255,172	42.65	–

Note: According to the recoverability of receivables, the Group recorded allowance for credit losses.

As at 31 December 2024, long-term receivables whose allowance for credit losses were assessed by credit risk portfolio (Note VIII, 3) are listed as follows:

RMB'000

		Allowance for credit losses	
	Gross carrying amount	Amount	Provision percentage (%)
Portfolio 1	140,028,422	1,398,736	1.00
Portfolio 2	439,694	2,207	0.50
Portfolio 3	15,237,416	116,127	0.76
Portfolio 4	7,998,124	169,785	2.12
Total	163,703,656	1,686,855	1.03

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Long-term receivables (Continued)

Movements in the allowance for credit losses of long-term receivables were as follows:

RMB'000

Item	2024	2023
Opening balance of the current year	**3,502,107**	2,312,838
Provision for the year	**1,000,941**	1,360,666
Less: Reversal for the year	**319,014**	196,799
Others	**(242,007)**	25,402
Closing balance of the current year	**3,942,027**	3,502,107

For the year ended 31 December 2024, the Group derecognised long-term receivables with gross carrying amount of RMB4,857,802,000 due to the transfer of financial assets (for the year ended 31 December 2023: RMB9,235,018,000), and has recognised losses on derecognition of RMB251,735,000 (for the year ended 31 December 2023: RMB572,284,000).

Assets and liabilities recognised due to continuing involvement in transferred long-term receivables:

As at 31 December 2024, the Group had assets of RMB144,759,000 and liabilities of RMB144,759,000 (as at 31 December 2023: RMB79,105,000 and RMB79,105,000) related to continuing involvement of transferred long-term receivables in previous years.

The restricted long-term receivables of the Group are stated in Note V. 66

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments

RMB'000

Item		31 December 2024	31 December 2023
Investments in unlisted companies – equity method			
Joint ventures	(1)	**64,642,831**	64,961,146
Associates	(2)	**89,455,979**	84,366,419
Less: Provision for impairment of long-term equity investments		**114,410**	49,208
Total		**153,984,400**	149,278,357

(1) Investment in joint ventures

31 December 2024:

RMB'000

Investee	Investment cost	1 January 2024	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Changes for the year: Investment profits or losses under equity method	Changes for the year: Other comprehensive income	Changes for the year: Declaration of cash dividends	Changes for the year: Others	31 December 2024	Provision for impairment at the end of year
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,651,984	4,102,678	549,223	-	(268,780)	-	-	-	4,383,121	-
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. *(Note 1)*	3,791,580	3,905,588	-	-	2,724	-	(132,133)	-	3,776,179	-
Hohhot Metro Line 2 Construction & Management Co., Ltd. *(Note 2)*	3,610,664	3,672,324	-	-	-	-	-	-	3,672,324	-
Chongqing Yuxiang Fuxian Highway Co., Ltd.	3,228,859	2,765,375	463,484	-	-	-	-	-	3,228,859	-
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,640,066	2,294,605	345,385	-	103,822	-	-	-	2,743,812	-
Sichuan Tianfu Airport Expressway Co., Ltd.	3,624,600	2,599,206	-	-	(361,033)	-	-	-	2,238,173	-
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	1,925,311	1,542,391	382,920	-	-	-	-	-	1,925,311	-
Guiyang Changda Rail Transit Construction Co., Ltd.	1,906,432	1,619,750	286,682	-	-	-	-	-	1,906,432	-
Xuchang Municipal Rail Construction Co., Ltd.	1,890,000	1,890,253	-	-	-	-	-	-	1,890,253	-
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,159	1,688,101	-	-	-	-	-	-	1,688,101	-
Others	-	38,831,667	5,387,863	(6,176,121)	(417,612)	(3,887)	(445,945)	(34,907)	37,141,058	(49,208)
Total	-	64,911,938	7,415,557	(6,176,121)	(940,879)	(3,887)	(578,078)	(34,907)	64,593,623	(49,208)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (Continued)

(1) Investment in joint ventures (Continued)

31 December 2023:

RMB'000

Investee	Investment cost	1 January 2023	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Changes for the year: Investment profits or losses under equity method	Changes for the year: Other comprehensive income	Changes for the year: Declaration of cash dividends	Changes for the year: Others	31 December 2023	Provision for impairment at the end of year
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,102,761	3,222,913	879,848	-	(83)	-	-	-	4,102,678	-
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. *(Note 1)*	3,791,580	3,308,131	653,600	-	76,312	-	(132,455)	-	3,905,588	-
Hohhot Metro Line 2 Construction & Management Co., Ltd. *(Note 2)*	3,610,664	3,672,324	-	-	-	-	-	-	3,672,324	-
Chongqing Yuxiang Fuxian Highway Co., Ltd.	2,765,375	2,075,000	690,375	-	-	-	-	-	2,765,375	-
Sichuan Tianfu Airport Expressway Co., Ltd.	3,624,600	2,995,367	-	-	(396,161)	-	-	-	2,599,206	-
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,294,681	1,502,341	792,793	-	(529)	-	-	-	2,294,605	-
Xuchang Municipal Rail Construction Co., Ltd.	1,890,000	-	1,890,000	-	253	-	-	-	1,890,253	-
Guizhou Qianzhong Expressway Development Co., Ltd.	1,701,147	701,147	1,000,000	-	-	-	-	-	1,701,147	-
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,159	1,688,101	-	-	-	-	-	-	1,688,101	-
Guiyang Changda Rail Transit Construction Co., Ltd.	1,619,750	1,199,750	420,000	-	-	-	-	-	1,619,750	-
Others	-	35,417,316	5,841,849	(1,709,589)	(506,170)	90,678	(448,066)	(13,107)	38,672,911	(49,208)
Total	-	55,782,390	12,168,465	(1,709,589)	(826,378)	90,678	(580,521)	(13,107)	64,911,938	(49,208)

Note 1: According to the articles of association of Kunming Rail Transit Line 5 Construction & Operation Co., Ltd., the operation polices and investment plans made by the shareholders' meeting and the resolution of the review and approval of board of directors' report shall be subject to all voting rights of shareholders. The Group holds 54.40% shares in Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. and has appointed one director to the board of directors. It can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Note 2: According to the articles of association of Hohhot Metro Line 2 Construction & Management Co., Ltd., the major decisions made in the shareholders' meeting shall be subject to more than two-thirds of voting rights of shareholders. As the Group holds 51.00% shares in Hohhot Metro Line 2 Construction & Management Co., Ltd., it can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (Continued)

(2) Investment in associates

31 December 2024:

RMB'000

Investee	Investment cost	1 January 2024	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Changes for the year: Investment profits or losses under equity method	Changes for the year: Other comprehensive income	Changes for the year: Declaration of cash dividends	Changes for the year: Others	31 December 2024	Provision for impairment at the end of year
CRCC-Tongguan Investment Co., Ltd.	1,472,466	2,810,499	100	–	442,753	69,576	–	–	3,322,928	–
CRCC Financial Leasing Co., Ltd. *(Note 1)*	1,747,618	3,163,512	–	–	191,270	–	–	(86,825)	3,267,957	–
Hangqu Railway Co., Ltd.	2,825,195	2,588,863	236,000	–	–	–	–	–	2,824,863	–
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	2,463,800	–	–	152,291	–	(152,291)	–	2,463,800	–
CRCC Ningxia Highway Co. Ltd.	2,091,605	2,069,847	21,732	–	(27,838)	–	–	–	2,063,741	–
Shanghai Wanjinglong Real Estate Co., Ltd.	1,862,000	1,860,140	–	–	(13,988)	–	–	–	1,846,152	–
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	1,815,074	1,539,780	275,294	–	–	–	–	–	1,815,074	–
Yunnan Kunchu Highway Investment & Development Co., Ltd.	2,029,494	1,881,227	–	–	(88,404)	–	–	–	1,792,823	–
Kunming Sanqing Highway Co., Ltd.	1,708,750	956,002	752,750	–	–	–	–	–	1,708,752	–
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,410,000	1,605,490	–	–	16,226	–	–	–	1,621,716	–
Others	–	63,427,259	8,904,692	(5,168,749)	(111,585)	(3,961)	(304,305)	(80,380)	66,662,971	(65,202)
Total	–	84,366,419	10,190,568	(5,168,749)	560,725	65,615	(456,596)	(167,205)	89,390,777	(65,202)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Long-term equity investments (Continued)

(2) Investment in associates (Continued)

31 December 2023:

RMB'000

Investee	Investment cost	1 January 2023	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Changes for the year: Investment profits or losses under equity method	Changes for the year: Other comprehensive income	Changes for the year: Declaration of cash dividends	Changes for the year: Others	31 December 2023	Provision for impairment at the end of year
CRCC Financial Leasing Co., Ltd. *(Note 1)*	1,747,618	2,943,766	–	–	211,292	–	–	8,454	3,163,512	–
CRCC-Tongguan Investment Co., Ltd.	1,472,366	2,240,108	–	–	462,756	107,635	–	–	2,810,499	–
Hangqu Railway Co., Ltd.	2,589,195	2,226,863	362,000	–	–	–	–	–	2,588,863	–
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	2,463,800	–	–	144,929	–	(144,929)	–	2,463,800	–
CRCC Ningxia Highway Co. Ltd.	2,069,873	1,647,237	422,610	–	–	–	–	–	2,069,847	–
Yunnan Kunchu Highway Investment & Development Co., Ltd.	2,029,494	1,975,223	–	–	(93,996)	–	–	–	1,881,227	–
Shanghai Wanjinglong Real Estate Co., Ltd.	1,862,000	–	1,862,000	–	(1,860)	–	–	–	1,860,140	–
CRCC Sichuan Dedu Expressway Co., Ltd.	1,727,004	1,727,004	–	–	(84,196)	–	–	–	1,642,808	–
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,410,000	779,726	740,527	–	85,237	–	–	–	1,605,490	–
Ningxia Inter-City Railway Co., Ltd.	1,589,200	1,701,025	–	(111,825)	72,180	–	(72,180)	–	1,589,200	–
Others	–	54,498,096	10,857,535	(2,712,908)	595,023	(5,470)	(513,855)	(27,388)	62,691,033	–
Total	–	72,202,848	14,244,672	(2,824,733)	1,391,365	102,165	(730,964)	(18,934)	84,366,419	–

Note 1: According to the articles of association of CRCC Financial Leasing Co., Ltd., the decisions of amending the company's articles of association, increasing the registered capital, resolutions of the company merger, division, dissolution, changing the company form, scope of operations, issuing of corporate bonds and selecting the directors shall be subject to more than two-thirds of voting rights of shareholders. Others shall be subject to more than half of voting rights of shareholders. As the Group holds 50.00% shares in CRCC Financial Leasing Co., Ltd., it can neither control nor jointly control the entity with other shareholders, but has significant influence over the entity. Therefore, it is accounted for an associate of the Group.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments

RMB'000

Item	31 December 2024 Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term loans receivable	**7,037,400**	**3,155,825**	**3,881,575**
Total	**7,037,400**	**3,155,825**	**3,881,575**
Debt investments due after one year	**7,037,400**	**3,155,825**	**3,881,575**

RMB'000

Item	31 December 2023 Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term loans receivable	7,880,938	1,843,034	6,037,904
Total	7,880,938	1,843,034	6,037,904
Less: Current portion of debt investments *(Note V, 10)*	21,837	109	21,728
Debt investments due after one year	7,859,101	1,842,925	6,016,176

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments (Continued)

Changes in allowance for credit losses of debt investments are as follows:

RMB'000

Item	2024	2023
Opening balance of the current year	**1,843,034**	1,166,128
Provided for the year	**1,324,614**	694,184
Less: Reversals for the year	**11,823**	12,389
Less: Written-off for the year	**–**	40
Others	**–**	(4,849)
Closing balance of the current year	**3,155,825**	1,843,034

Debt investments and allowance for credit losses by category are listed as follows:

RMB'000

	31 December 2024				
	Gross carrying amount		Allowance for credit losses		
Category	Amount	Percentage (%)	Amount	Provision percentage (%)	Carrying amount
Allowance for credit losses assessed individually	**4,735,274**	**67.29**	**3,147,464**	**66.47**	**1,587,810**
Allowance for credit losses assessed by credit risk portfolio	**2,302,126**	**32.71**	**8,361**	**0.36**	**2,293,765**
Total	**7,037,400**	**100.00**	**3,155,825**	**44.84**	**3,881,575**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Debt investments (Continued)

Debt investments and allowance for credit losses by category are listed as follows: (Continued)

RMB'000

	31 December 2023				
	Gross carrying amount		Allowance for credit losses		
Category	Amount	Percentage *(%)*	Amount	Provision percentage *(%)*	Carrying amount
Allowance for credit losses assessed individually	4,341,914	55.09	1,823,855	42.01	2,518,059
Allowance for credit losses assessed by credit risk portfolio	3,539,024	44.91	19,179	0.54	3,519,845
Total	7,880,938	100.00	1,843,034	23.39	6,037,904

In 2024, debt investments actually written-off are amounted to Nil (2023: RMB40,000).

As at 31 December 2024, the Group's significant debt investments are as follows:

A subsidiary of the Group had entered into an interest borne loan agreement with a real estate industry customer, and recognised debt investment with gross carrying amount of RMB2,927,357,000 (31 December 2023: RMB2,927,357,000). Due to the debt default of this customer, the subsidiary recognised impairment through default exposure and the life-time expected credit loss rate.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Other non-current financial assets

RMB'000

Item	31 December 2024	31 December 2023
Investments in unlisted fund product	**8,141,913**	6,191,649
Equity investments in listed companies	**177,252**	169,604
Others	**3,056,957**	3,925,896
Total	**11,376,122**	10,287,149

17. Other equity instrument investments

RMB'000

Item	31 December 2024	31 December 2023
Equity investments in listed companies	**1,722,181**	1,974,362
Equity investments in unlisted companies	**11,445,616**	10,601,209
Total	**13,167,797**	12,575,571

2024:

RMB'000

		Changes for the year						
Item	1 January 2024	Increase of investment	Decrease of investment	Changes in fair value	Others	31 December 2024	Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
Other equity instrument investments	12,575,571	1,077,246	(1,259,609)	774,148	441	13,167,797	153,800	948,660

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (Continued)

2023:

RMB'000

Item	1 January 2023	Changes for the year: Increase of investment	Changes for the year: Decrease of investment	Changes for the year: Changes in fair value	Changes for the year: Others	31 December 2023	Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
Other equity instrument investments	11,940,051	1,172,272	(445,453)	(91,554)	255	12,575,571	116,607	509,306

As at 31 December 2024, a portion of other equity instrument investments held by the Group has been derecognised due to disposal. Accumulated gains transferred to retained earnings due to derecognition are amounted to RMB242,070,000 (31 December 2023: RMB57,749,000).

As at 31 December 2024, the Group's listed companies' equity instrument investments designated as those at FVTOCI are as follows:

RMB'000

Item	**31 December 2024**	31 December 2023	Reasons for designated at FVTOCI
Times Electric (688187)	**469,616**	356,034	Long-term equity investments for strategic purposes
Bank of Communications (601328)	**311,338**	231,468	Long-term equity investments for strategic purposes
Tongling Nonferrous (000630)	**243,026**	246,788	Long-term equity investments for strategic purposes
SDIC Capital (600061)	**167,925**	624,852	Long-term equity investments for strategic purposes
Others	**530,276**	515,220	Long-term equity investments for strategic purposes
Total	**1,722,181**	1,974,362	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties

Subsequent measurement under cost method

2024:

RMB'000

		Buildings and land use right	Total
I.	**Original costs**		
	1 January 2024	**13,465,433**	**13,465,433**
	Increase	**5,948,134**	**5,948,134**
	Additions	**282,593**	**282,593**
	Transferred in from inventories	**3,801,859**	**3,801,859**
	Transferred in from fixed assets	**1,863,682**	**1,863,682**
	Decrease	**980,525**	**980,525**
	Disposal	**856,981**	**856,981**
	Transferred out to fixed assets	**113,501**	**113,501**
	Other decreases	**10,043**	**10,043**
	31 December 2024	**18,433,042**	**18,433,042**
II.	**Accumulated depreciation and amortisation**		
	1 January 2024	**1,839,363**	**1,839,363**
	Increase	**417,910**	**417,910**
	Provision	**364,200**	**364,200**
	Transferred in from fixed assets	**52,728**	**52,728**
	Other increases	**982**	**982**
	Decrease	**32,334**	**32,334**
	Disposal	**14,479**	**14,479**
	Transferred out to fixed assets	**17,855**	**17,855**
	31 December 2024	**2,224,939**	**2,224,939**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties (Continued)

Subsequent measurement under cost method (Continued)

2024: (Continued)

RMB'000

	Buildings and land use right	Total
III. Provision for impairment		
1 January 2024	**226,624**	**226,624**
Increase	**2,581**	**2,581**
Provision	**1,999**	**1,999**
Other increases	**582**	**582**
Decrease	**2,935**	**2,935**
Disposal	**2,935**	**2,935**
31 December 2024	**226,270**	**226,270**
IV. Carrying amount		
Closing balance	**15,981,833**	**15,981,833**
Opening balance	**11,399,446**	**11,399,446**

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties (Continued)

Subsequent measurement under cost method (Continued)

2023:

RMB'000

	Buildings and land use right	Total
I. Original costs		
1 January 2023	11,759,746	11,759,746
Increase	2,405,017	2,405,017
Additions	598,659	598,659
Transferred in from inventories	1,589,591	1,589,591
Transferred in from fixed assets	110,320	110,320
Transferred in from construction in progress	22,832	22,832
Transferred in from intangible assets	83,615	83,615
Decrease	699,330	699,330
Disposal	632,235	632,235
Other decreases	67,095	67,095
31 December 2023	13,465,433	13,465,433
II. Accumulated depreciation and amortisation		
1 January 2023	1,574,348	1,574,348
Increase	379,832	379,832
Provision	327,347	327,347
Transferred in from fixed assets	35,828	35,828
Transferred in from intangible assets	16,657	16,657
Decrease	114,817	114,817
Disposal	97,485	97,485
Other decreases	17,332	17,332
31 December 2023	1,839,363	1,839,363

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Investment properties (Continued)

Subsequent measurement under cost method (Continued)

2023: (Continued)

RMB'000

	Buildings and land use right	Total
III. Provision for impairment		
1 January 2023	287,056	287,056
Increase	28,548	28,548
Provision	18,609	18,609
Other increases	9,939	9,939
Decrease	88,980	88,980
Disposal	88,980	88,980
31 December 2023	226,624	226,624
IV. Carrying amount		
Closing balance	11,399,446	11,399,446
Opening balance	9,898,342	9,898,342

As at 31 December 2024, the Group was in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB2,163,912,000 (31 December 2023: RMB32,134,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 31 December 2024.

The restricted investment properties of the Group are stated in Note V. 66.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets

2024:

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2024	33,501,341	53,654,595	16,746,401	74,270,557	178,172,894
Increase	3,222,081	6,134,052	1,144,020	13,130,766	23,630,919
Additions	922,025	3,220,082	1,094,907	11,599,950	16,836,964
Transferred in from construction in progress	2,157,939	2,675,122	33,975	1,501,418	6,368,454
Transferred in from investment properties	113,501	–	–	–	113,501
Transferred in from right-of-use assets	–	184,569	–	–	184,569
Other increases	28,616	54,279	15,138	29,398	127,431
Decrease	2,701,557	5,890,885	1,293,712	7,058,750	16,944,904
Disposal or retirement	224,437	3,965,624	1,089,276	6,626,136	11,905,473
Disposal of subsidiaries	123,906	–	2,590	281,969	408,465
Transferred out to construction in progress	389,466	1,401,661	–	–	1,791,127
Transferred out to investment properties	1,863,682	–	–	–	1,863,682
Other decreases	100,066	523,600	201,846	150,645	976,157
31 December 2024	34,021,865	53,897,762	16,596,709	80,342,573	184,858,909
II. Accumulated depreciation					
1 January 2024	7,631,423	31,501,806	13,077,687	52,471,503	104,682,419
Increase	1,030,531	4,415,807	1,402,593	11,811,820	18,660,751
Provision	993,904	4,367,700	1,402,569	11,800,697	18,564,870
Transferred in from investment properties	17,855	–	–	–	17,855
Other increases	18,772	48,107	24	11,123	78,026
Decrease	230,234	3,904,323	1,157,954	6,517,841	11,810,352
Disposal or retirement	95,193	3,126,167	1,020,623	6,212,001	10,453,984
Disposal of subsidiaries	34,663	–	2,460	216,931	254,054
Transferred out to construction in progress	45,742	410,464	–	–	456,206
Transferred out to investment properties	52,728	–	–	–	52,728
Other decreases	1,908	367,692	134,871	88,909	593,380
31 December 2024	8,431,720	32,013,290	13,322,326	57,765,482	111,532,818

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (Continued)

2024: (Continued)

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
III. Provision for impairment					
1 January 2024	92,810	103,846	725	23,608	220,989
Provision	77,990	–	–	50	78,040
Other increases	4,387	–	–	–	4,387
Disposal or retirement	537	5,255	–	–	5,792
31 December 2024	174,650	98,591	725	23,658	297,624
IV. Carrying amount					
31 December 2024	25,415,495	21,785,881	3,273,658	22,553,433	73,028,467
1 January 2024	25,777,108	22,048,943	3,667,989	21,775,446	73,269,486

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (Continued)

2023:

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
I. Original costs					
1 January 2023	29,017,246	53,915,540	16,623,023	66,572,257	166,128,066
Increase	4,791,180	5,524,467	1,482,579	15,812,453	27,610,679
Additions	697,211	4,742,578	1,395,551	13,512,736	20,348,076
Transferred in from construction in progress	4,046,226	693,512	82,724	2,297,200	7,119,662
Transferred in from right-of-use assets	–	88,377	–	–	88,377
Other increases	47,743	–	4,304	2,517	54,564
Decrease	307,085	5,785,412	1,359,201	8,114,153	15,565,851
Disposal or retirement	196,765	3,801,977	866,597	7,976,103	12,841,442
Transferred out to construction in progress	–	1,117,430	–	–	1,117,430
Transferred out to investment properties	110,320	–	–	–	110,320
Other decreases	–	866,005	492,604	138,050	1,496,659
31 December 2023	33,501,341	53,654,595	16,746,401	74,270,557	178,172,894
II. Accumulated depreciation					
1 January 2023	6,780,776	32,193,083	12,781,791	48,100,609	99,856,259
Increase	1,060,222	3,669,020	1,431,926	11,011,602	17,172,770
Provision	1,052,423	3,669,020	1,428,098	11,011,090	17,160,631
Other increases	7,799	–	3,828	512	12,139
Decrease	209,575	4,360,297	1,136,030	6,640,708	12,346,610
Disposal or retirement	173,747	3,016,717	772,767	6,580,424	10,543,655
Transferred out to construction in progress	–	691,014	–	–	691,014
Transferred out to investment properties	35,828	–	–	–	35,828
Other decreases	–	652,566	363,263	60,284	1,076,113
31 December 2023	7,631,423	31,501,806	13,077,687	52,471,503	104,682,419

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Fixed assets (Continued)

2023: (Continued)

RMB'000

Item	Buildings	Machinery	Vehicles	Other equipment	Total
III. Provision for impairment					
1 January 2023	90,131	71,544	725	23,608	186,008
Provision	8,430	53,147	–	–	61,577
Disposal or retirement	4,968	20,845	–	–	25,813
Other decreases	783	–	–	–	783
31 December 2023	92,810	103,846	725	23,608	220,989
IV. Carrying amount					
31 December 2023	25,777,108	22,048,943	3,667,989	21,775,446	73,269,486
1 January 2023	22,146,339	21,650,913	3,840,507	18,448,040	66,085,799

The restricted fixed assets of the Group are stated in Note V. 66.

As at 31 December 2024, the Group had no significant fixed assets that were temporarily idle (31 December 2023: Nil).

As at 31 December 2024, the Group was in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB3,187,055,000 (31 December 2023: RMB1,738,325,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 31 December 2024.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress

RMB'000

Item	31 December 2024 Gross carrying amount	Provision for impairment	Carrying amount	31 December 2023 Gross carrying amount	Provision for impairment	Carrying amount
CRCC South China Headquarters Building Project	**995,298**	**–**	**995,298**	945,150	–	945,150
Tiejian Jinshun Plaza	**441,793**	**–**	**441,793**	–	–	–
CRCC Port and Shipping project	**326,116**	**–**	**326,116**	203,192	–	203,192
China Railway Construction Yuhu Phase II	**320,138**	**–**	**320,138**	96,274	–	96,274
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project (Original name: Jingjiang Bridge Science and Technology Industrial Park)	**293,442**	**–**	**293,442**	226,214	–	226,214
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	**284,806**	**–**	**284,806**	133,484	–	133,484
CRCC Construction Industry Oriented AI Infrastructure Construction Project	**279,130**	**–**	**279,130**	208	–	208
East China Headquarters Office Building	**272,248**	**–**	**272,248**	–	–	–
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	**207,834**	**–**	**207,834**	135,754	–	135,754
Shentie Financial Technology Building Office Building	**186,592**	**–**	**186,592**	–	–	–
Others	**3,215,029**	**9,563**	**3,205,466**	4,080,002	9,563	4,070,439
Total	**6,822,426**	**9,563**	**6,812,863**	5,820,278	9,563	5,810,715

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (Continued)

2024:

RMB'000

Item	Budget	1 January 2024	Additions	Transfer out	Others	31 December 2024	Source of funds	Proportion of investment to budget (%)
CRCC South China Headquarters Building Project	2,104,200	945,150	50,148	–	–	995,298	Self-funding/ loan	47
Tiejian Jinshun Plaza	686,925	–	441,793	–	–	441,793	Loan	64
CRCC Port and Shipping project	764,240	203,192	122,924	–	–	326,116	Self-funding/ loan	43
China Railway Construction Yuhu Phase II	729,000	96,274	223,864	–	–	320,138	Self-funding	44
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project (Original name: Jingjiang Bridge Science and Technology Industrial Park)	521,945	226,214	141,785	74,557	–	293,442	Self-funding/ loan	56
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	495,080	133,484	151,322	–	–	284,806	Self-funding/ loan	58
CRCC Construction Industry Oriented AI Infrastructure Construction Project	400,000	208	278,922	–	–	279,130	Self-funding	70
East China Headquarters Office Building	600,000	–	272,248	–	–	272,248	Self-funding	45
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	434,790	135,754	72,080	–	–	207,834	Self-funding/ loan	48
Shentie Financial Technology Building Office Building	204,701	–	186,592	–	–	186,592	Self-funding	91
Others	–	4,080,002	5,602,963	6,396,471	(71,465)	3,215,029	Self-funding/ loan	–
Total	–	5,820,278	7,544,641	6,471,028	(71,465)	6,822,426	–	–
Less: Provision for impairment	–	9,563	–	–	–	9,563	–	–
Net value at the end of the year	–	5,810,715	7,544,641	6,471,028	(71,465)	6,812,863	–	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (Continued)

2023:

RMB'000

Item	Budget	1 January 2023	Additions	Transfer out	Others	31 December 2023	Source of funds	Proportion of investment to budget *(%)*
Zhuhai Hengqin CRCC Plaza (Original name: Hengqin Tiejian Plaza Project)	1,431,217	1,112,895	142,586	–	–	1,255,481	Self-funding/ loan	88
CRCC South China Headquarters Building Project	2,104,200	836,141	109,009	–	–	945,150	Self-funding/ loan	45
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project (Original name: Jingjiang Bridge Science and Technology Industrial Park)	596,502	105,457	120,757	–	–	226,214	Self-funding/ loan	38
CRCC Port and Shipping Project	744,510	30,318	172,874	–	–	203,192	Self-funding/ loan	27
Shield Machine Remanufacturing Project of CRCC Bridge Engineering Bureau Group 2nd Engineering Co., Ltd.	142,925	–	139,649	–	–	139,649	Self-funding	98
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	434,790	1,627	134,127	–	–	135,754	Self-funding	31
Headquarter Buildings in Addis Ababa Ethiopia	154,475	81,363	54,064	–	–	135,427	Self-funding	88
Zhejiang Zhoushan Construction Intelligent Manufacturing Technology Industrial Park Project	495,080	–	133,484	–	–	133,484	Self-funding	27
New Industry Manufacturing Changsha Base Phase I Project	499,200	14,487	100,688	–	–	115,175	Self-funding	23
Tianjin Construction Industrialisation Research and Development Production Base Phase II and III Project	151,748	67,194	44,018	–	–	111,212	Self-funding	73
Others	–	5,353,252	4,429,322	7,273,258	(89,776)	2,419,540	Self-funding/ loan	–
Total	–	7,602,734	5,580,578	7,273,258	(89,776)	5,820,278	–	–
Less: Provision for impairment	–	9,563	–	–	–	9,563	–	–
Net value at the end of the year	–	7,593,171	5,580,578	7,273,258	(89,776)	5,810,715	–	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (Continued)

For the year ended 31 December 2024, construction in progress with a carrying amount of RMB6,368,454,000 (2023: RMB7,119,662,000) and RMB102,574,000 (2023: RMB130,764,000) had been transferred to fixed assets and intangible assets respectively, and no construction in progress had been transferred to investment properties (2023: RMB22,832,000).

The restricted construction in progress of the Group is stated in Note V. 66.

The amounts of interest expenses capitalised in the balance of construction in progress and the capitalisation rates are listed as follows:

2024:

RMB'000

Item	Progress as at 31 December 2024 *(%)*	Capitalised amount of borrowing costs as at 31 December 2024	Interest capitalised during the year	Capitalisation rate during the year *(%)*
CRCC South China Headquarters Building Project	47	57,098	25,750	3.10
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project (Original name: Jingjiang Bridge Science and Technology Industrial Park)	56	18,748	1,698	3.26
CRCC Port and Shipping Project	43	5,117	3,337	3.35
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	48	4,694	4,694	2.67
CRCC Jinshun Plaza	64	40,768	–	–
Others	–	65,148	15,611	–
Total	–	191,573	51,090	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Construction in progress (Continued)

2023:

RMB'000

Item	Progress as at 31 December 2023 *(%)*	Capitalised amount of borrowing costs as at 31 December 2023	Interest capitalised during the year	Capitalisation rate during the year *(%)*
Zhuhai Hengqin CRCC Plaza (Original name: Hengqin Tiejian Plaza Project)	88	33,994	15,089	3.86
CRCC South China Headquarters Building Project	45	31,348	19,203	3.38
CRCC Port and Shipping Project	27	1,780	1,780	3.70
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project (Original name: Jingjiang Bridge Science and Technology Industrial Park)	38	17,050	17,050	3.99
Others	–	21,171	174,208	–
Total	–	105,343	227,330	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Right-of-use assets

For the year ended 31 December 2024:

RMB'000

Item		Buildings	Machinery	Vehicles	Other equipment	Total
I.	**Original costs**					
	1 January 2024	5,980,669	5,267,309	679,943	359,658	12,287,579
	Additions	1,524,085	1,848,470	266,072	193,702	3,832,329
	Disposal or retirement	1,264,083	929,369	92,512	54,384	2,340,348
	31 December 2024	6,240,671	6,186,410	853,503	498,976	13,779,560
II.	**Accumulated depreciation**					
	1 January 2024	2,440,464	2,113,773	472,115	120,527	5,146,879
	Provision	1,158,716	1,241,654	163,385	112,749	2,676,504
	Disposal or retirement	713,020	705,349	85,617	44,315	1,548,301
	31 December 2024	2,886,160	2,650,078	549,883	188,961	6,275,082
III.	**Carrying amount**					
	Closing balance	3,354,511	3,536,332	303,620	310,015	7,504,478
	Opening balance	3,540,205	3,153,536	207,828	239,131	7,140,700

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Right-of-use assets (Continued)

2023:

RMB'000

Item		Buildings	Machinery	Vehicles	Other equipment	Total
I.	**Original costs**					
	1 January 2023	4,103,363	5,088,933	601,419	216,527	10,010,242
	Additions	2,655,103	1,613,744	122,537	175,850	4,567,234
	Disposal or retirement	777,797	1,435,368	44,013	32,719	2,289,897
	31 December 2023	5,980,669	5,267,309	679,943	359,658	12,287,579
II.	**Accumulated depreciation**					
	1 January 2023	1,840,661	2,563,660	375,573	75,991	4,855,885
	Provision	1,091,130	916,195	140,060	74,607	2,221,992
	Disposal or retirement	491,327	1,366,082	43,518	30,071	1,930,998
	31 December 2023	2,440,464	2,113,773	472,115	120,527	5,146,879
III.	**Carrying amount**					
	Closing balance	3,540,205	3,153,536	207,828	239,131	7,140,700
	Opening balance	2,262,702	2,525,273	225,846	140,536	5,154,357

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets

2024:

RMB'000

Item		Land use rights	Concession rights	Software licenses	Mining rights and others	Total
I.	**Original costs**					
	1 January 2024	9,295,728	66,832,816	1,739,925	2,121,434	79,989,903
	Increase	538,219	48,979,251	388,829	87,629	49,993,928
	Additions	493,246	15,539,223	297,802	87,629	16,417,900
	Acquisition of subsidiaries *(Note)*	32,825	33,440,028	601	–	33,473,454
	Transferred in from construction in progress	12,148	–	90,426	–	102,574
	Decrease	324,533	231,499	119,163	44,602	719,797
	Disposal or retirement	322,944	–	109,860	8,221	441,025
	Disposal of subsidiaries	–	–	9,303	–	9,303
	Other decreases	1,589	231,499	–	36,381	269,469
	31 December 2024	9,509,414	115,580,568	2,009,591	2,164,461	129,264,034
II.	**Accumulated amortisation**					
	1 January 2024	2,111,903	4,781,866	1,097,309	838,732	8,829,810
	Increase	228,497	1,409,267	286,735	95,777	2,020,276
	Provision	228,497	1,409,267	286,735	95,777	2,020,276
	Decrease	52,037	56,418	92,721	25,710	226,886
	Disposal or retirement	51,659	–	89,165	8,099	148,923
	Disposal of subsidiaries	–	–	3,556	–	3,556
	Other decreases	378	56,418	–	17,611	74,407
	31 December 2024	2,288,363	6,134,715	1,291,323	908,799	10,623,200

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (Continued)

2024: (Continued)

RMB'000

Item		Land use rights	Concession rights	Software licenses	Mining rights and others	Total
III.	**Provision for impairment**					
	1 January 2024	9,043	1,060,130	–	354,462	1,423,635
	Provision	–	228,905	–	–	228,905
	Other decreases	–	–	–	14,095	14,095
	31 December 2024	9,043	1,289,035	–	340,367	1,638,445
IV.	**Carrying amount**					
	Closing balance	7,212,008	108,156,818	718,268	915,295	117,002,389
	Opening balance	7,174,782	60,990,820	642,616	928,240	69,736,458

Note: For the year ended 31 December 2024, the Group's business combinations not involving enterprises under common control and acquisitions of subsidiaries resulted in an increase in concession rights by RMB33,440,028,000, which mainly included the Guizhou Wudang (Yangchang) to Changshun Highway, the Qianjiang District Transit Highway (Yuxiang Highway Liaison Route), Guizhou Jianhe to Liping Highway and Langzhong to Yingshan Highway, etc.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (Continued)

2023:

RMB'000

Item		Land use rights	Concession rights	Software licenses	Mining rights and others	Total
I.	**Original costs**					
	1 January 2023	9,168,353	58,922,256	1,388,474	1,722,313	71,201,396
	Increase	374,991	7,910,560	413,177	447,675	9,146,403
	Additions	374,991	7,640,909	282,377	447,675	8,745,952
	Acquisition of subsidiaries	–	186,319	36	–	186,355
	Transferred in from construction in progress	–	–	130,764	–	130,764
	Other increases	–	83,332	–	–	83,332
	Decrease	247,616	–	61,726	48,554	357,896
	Disposal or retirement	164,001	–	61,726	48,554	274,281
	Other decreases	83,615	–	–	–	83,615
	31 December 2023	9,295,728	66,832,816	1,739,925	2,121,434	79,989,903
II.	**Accumulated amortisation**					
	1 January 2023	1,947,968	3,766,111	891,867	753,532	7,359,478
	Increase	233,887	1,015,755	253,790	110,414	1,613,846
	Provision	233,887	997,898	253,790	110,414	1,595,989
	Other increases	–	17,857	–	–	17,857
	Decrease	69,952	–	48,348	25,214	143,514
	Disposal or retirement	53,295	–	48,348	25,214	126,857
	Other decreases	16,657	–	–	–	16,657
	31 December 2023	2,111,903	4,781,866	1,097,309	838,732	8,829,810

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (Continued)

2023: (Continued)

RMB'000

Item		Land use rights	Concession rights	Software licenses	Mining rights and others	Total
III.	**Provision for impairment**					
	1 January 2023	9,043	1,060,130	–	242,003	1,311,176
	Provision	–	–	–	112,459	112,459
	31 December 2023	9,043	1,060,130	–	354,462	1,423,635
IV.	**Carrying amount**					
	Closing balance	7,174,782	60,990,820	642,616	928,240	69,736,458
	Opening balance	7,211,342	54,096,015	496,607	726,778	62,530,742

As at 31 December 2024, intangible assets recognised through internal research and development account for 0.02% of the closing balance of intangible assets (31 December 2023: 0.06%).

The restricted intangible assets of the Group are stated in Note V. 66.

As at 31 December 2024, the Group was in the process of applying for the title certificates of certain parcels of its land with an aggregate carrying amount of RMB304,280,000 (31 December 2023: RMB60,675,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such land, and also of the opinion that the matter did not have any significant adverse impact on the Group's financial position as at 31 December 2024.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (Continued)

The amounts of interest capitalised in the balance of intangible assets and the capitalisation rates are analysed as follows:

2024:

RMB'000

Item	Progress as at 31 December 2024 *(%)*	Capitalised amount of borrowing costs as at 31 December 2024 *(Note)*	Interest capitalised during the year/ from the acquisition date to the year-end period	Capitalisation rate during the year *(%)*
Sichuan Jianpu Highway Project concession rights	100	1,119,018	–	–
Guizhou Jianhe to Liping Highway Project concession rights	96	639,771	100,797	3.40
Guizhou Wudang (Yangchang) to Changshun Highway Project concession rights	74	549,413	335,509	3.51
Guangxi Ziyuan (Meixi) to Xing'an Highway BOT Project concession rights	100	482,712	–	–
Guangxi Nanyuzhu Highway Yuheng Section concession rights	96	277,025	127,902	2.96
Highway from Wuxi Chongqing to Zhenping Shaanxi (Chongqing Section)	100	225,040	–	–
Guizhou Anshun to Ziyun Highway Project concession rights	100	154,136	–	–
Henan Lanyuan Expressway Project concession rights	100	138,420	–	–
Xuanwei Beipan River Basin Water Environment Comprehensive Treatment PPP Project concession rights	95	115,898	34,457	4.23
Others	–	591,166	139,630	–
Total	–	4,292,599	738,295	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Intangible assets (Continued)

2023:

RMB'000

Item	Progress as at 31 December 2023 *(%)*	Capitalised amount of borrowing costs as at 31 December 2023 *(Note)*	Interest capitalised during the year	Capitalisation rate during the year *(%)*
Sichuan Jianpu Highway Project concession rights	100	1,125,187	–	–
Guangxi Ziyuan (Meixi) to Xing'an Highway BOT Project concession rights	100	483,987	–	–
Highway from Wuxi Chongqing to Zhenping Shaanxi (Chongqing Section)	99	225,682	108,134	3.45
Guizhou Anshun to Ziyun Highway Project concession rights	100	154,716	–	–
Guangxi Nanyuzhu Highway Yuheng Section concession rights	72	149,123	122,892	3.08
Henan Lanyuan Expressway Project concession rights	98	138,706	13,146	3.64
Yusui Highway Project concession rights	100	77,570	–	–
Chongqing rail transit Jiangtiao Line construction project concession rights	100	57,368	–	–
Beijing New Airport North Line Highway project	100	56,192	–	–
Others	–	211,087	67,537	–
Total	–	2,679,618	311,709	–

Note: It is accumulated during the construction of the concession rights and will be amortised according to the expected realisation of the economic benefits of the project during its operation.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill

2024:

Original costs

RMB'000

Item	1 January 2024	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2024
Acquisition of ALDESA Company *(Note 1)*	422,833	–	–	(22,487)	400,346
Acquisition of CIDEON Company *(Note 2)*	91,369	–	–	–	91,369
Others	43,128	–	–	–	43,128
Total	557,330	–	–	(22,487)	534,843

Provision for impairment

RMB'000

Item	1 January 2024	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2024
Acquisition of ALDESA Company *(Note 1)*	422,833	–	–	(22,487)	400,346
Acquisition of CIDEON Company *(Note 2)*	78,880	–	–	–	78,880
Others	–	5,855	–	–	5,855
Total	501,713	5,855	–	(22,487)	485,081

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill (Continued)

2024: (Continued)

Net value of goodwill

RMB'000

Item	1 January 2024	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2024
Acquisition of ALDESA Company *(Note 1)*	–	–	–	–	–
Acquisition of CIDEON Company *(Note 2)*	12,489	–	–	–	12,489
Others	43,128	–	5,855	–	37,273
Total	55,617	–	5,855	–	49,762

2023:

Original costs

RMB'000

Item	1 January 2023	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2023
Acquisition of ALDESA Company *(Note 1)*	399,073	–	–	23,760	422,833
Acquisition of CIDEON Company *(Note 2)*	91,369	–	–	–	91,369
Others	43,128	–	–	–	43,128
Total	533,570	–	–	23,760	557,330

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Goodwill (Continued)

2023: (Continued)

Provision for impairment

RMB'000

Item	1 January 2023	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2023
Acquisition of ALDESA Company *(Note 1)*	313,378	91,036	–	18,419	422,833
Acquisition of CIDEON Company *(Note 2)*	56,674	22,206	–	–	78,880
Total	370,052	113,242	–	18,419	501,713

Net value of goodwill

RMB'000

Item	1 January 2023	Increase	Decrease	Exchange differences on translation of foreign operations	31 December 2023
Acquisition of ALDESA Company (Note 1)	85,695	–	91,036	5,341	–
Acquisition of CIDEON Company (Note 2)	34,695	–	22,206	–	12,489
Others	43,128	–	–	–	43,128
Total	163,518	–	113,242	5,341	55,617

Note 1: The goodwill of EUR54,670,000 was acquired in the business combination involving entities not under common control of GRUPO ALDESA, S. A. ("ALDESA Company") on 8 May 2020. As of 31 December 2024, the Group recognised accumulated impairment of the goodwill of EUR54,670,000.

Note 2: On 29 February 2016, the Group purchased CIDEON Engineering GmbH&Co. KG, CIDEON Engineering Verwaltungs GmbH and CIDEON Schweiz AG (collectively referred to as "CIDEON Company"), which is a business combination involving entities not under common control and resulted in the increase in goodwill by EUR11,710,000. As at 31 December 2024, the Group recognised accumulated impairment of the goodwill of EUR10,040,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities

RMB'000

Item	31 December 2024 Deductible temporary differences	31 December 2024 Deferred tax assets	31 December 2023 Deductible temporary differences	31 December 2023 Deferred tax assets
Deferred tax assets				
Provision for long-term post-leaving benefits	**75,606**	**15,379**	91,393	17,850
Provision for impairment of credit and assets	**38,450,806**	**7,417,002**	35,127,556	6,272,952
Deductible tax losses	**6,330,815**	**1,484,094**	5,299,868	1,296,557
Lease liabilities	**5,559,801**	**1,082,111**	5,105,216	1,016,877
Revaluation surplus from restructuring	**1,112,808**	**278,210**	1,155,432	288,858
Unrealised profits of intra-group transactions	**8,659,205**	**1,982,267**	8,230,341	1,866,254
Changes in fair value of other equity instrument investments	**125,807**	**26,624**	131,883	26,746
Interest expenses that can be carried forward for deduction	**451,028**	**112,847**	703,912	175,978
Others	**6,954,324**	**1,388,807**	8,558,936	1,721,197
Total	**67,720,200**	**13,787,341**	64,404,537	12,683,269

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities (Continued)

RMB'000

Item	31 December 2024 Taxable temporary differences	31 December 2024 Deferred tax liabilities	31 December 2023 Taxable temporary differences	31 December 2023 Deferred tax liabilities
Deferred tax liabilities				
Right-of-use assets	**6,212,242**	**1,185,850**	5,631,994	1,106,812
Changes in fair value of other equity instrument investments	**2,001,830**	**323,571**	1,237,793	230,969
Asset appreciation from appraisal for business combinations involving entities not under common control	**346,893**	**86,776**	391,297	97,824
Book-tax temporary differences for revenue recognition	**5,432,039**	**1,358,010**	4,995,849	1,318,904
Others	**3,052,241**	**659,897**	3,325,349	725,451
Total	**17,045,245**	**3,614,104**	15,582,282	3,479,960

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities (Continued)

Deferred tax assets and deferred tax liabilities that are presented at the net amount after offset:

RMB'000

Item	Offset amount between deferred tax assets and liabilities at the end of the year	Closing balance of deferred tax assets or liabilities after offset	Offset amount between deferred tax assets and liabilities at the beginning of the year	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	1,634,841	12,152,500	1,471,357	11,211,912
Deferred tax liabilities	1,634,841	1,979,263	1,471,357	2,008,603

Deductible temporary differences and deductible tax losses for which deferred tax assets are not recognised are listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Deductible temporary differences	**16,850,753**	14,316,726
Deductible tax losses	**27,006,370**	23,172,034
Total	**43,857,123**	37,488,760

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Deferred tax assets/liabilities (Continued)

Deductible losses, for which no deferred tax assets are recognised, will expire in the following years:

RMB'000

Year	31 December 2024	31 December 2023
2024	–	1,927,158
2025	3,419,779	3,452,708
2026	4,728,944	4,865,996
2027	4,508,318	4,652,072
2028	6,026,313	6,200,188
2029	6,413,900	185,955
2030	780,666	857,374
2031	425,648	427,993
2032	294,077	294,077
2033	308,513	308,513
2034	100,212	–
Total	27,006,370	23,172,034

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets

RMB'000

Item	31 December 2024	31 December 2023
Retention receivables	**96,370,739**	77,647,914
Contract assets derived from primary land development receivables and other project receivables	**63,663,569**	47,428,493
Others	**8,833,601**	6,413,083
Subtotal	**168,867,909**	131,489,490
Less: Current portion of other non-current assets *(Note V. 10)*	**9,741,899**	7,533,560
Total	**159,126,010**	123,955,930

The restricted other non-current assets of the Group are stated in Note V. 66.

Contract assets and provision for impairment of assets in other non-current assets are disclosed by category as follows:

RMB'000

	31 December 2024				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage %	Amount	Provision percentage %	Carrying amount
Provision for impairment of assets assessed individually	**6,247,834**	**3.83**	**2,072,223**	**33.17**	**4,175,611**
Provision for impairment of assets assessed by credit risk portfolio	**157,065,627**	**96.17**	**1,206,930**	**0.77**	**155,858,697**
Total	**163,313,461**	**100.00**	**3,279,153**	**2.01**	**160,034,308**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets (Continued)

Movements of contract assets and provision for impairment of assets in other non-current assets are as follows:

RMB'000

Item	31 December 2023	Provision	Reversal	Others	31 December 2024
Provision for impairment of assets	2,700,485	860,148	372,033	90,553	**3,279,153**

As at 31 December 2024, contract assets in other non-current assets with provision for impairment of assets assessed individually are as follows:

RMB'000

Company name	31 December 2024 Gross carrying amount	Provision for impairment of assets	Provision percentage %	Reason
Company 1	**1,242,375**	**184,888**	**14.88**	Note
Company 2	**563,149**	**30,221**	**5.37**	Note
Others	**4,442,310**	**1,857,114**	**41.81**	–
Total	**6,247,834**	**2,072,223**	**33.17**	–

Note: According to the recoverability of other non-current assets, the Group recorded impairment.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Other non-current assets (Continued)

As at 31 December 2024, contract assets in other non-current assets whose allowance for credit losses were assessed by credit risk portfolio (Note VIII. 3) are as follows:

RMB'000

		Provision for impairment of assets	
	Gross carrying amount	Amount	Provision proportion %
Portfolio 1	117,357,471	857,122	0.73
Portfolio 2	8,715,592	68,540	0.79
Portfolio 3	7,948,245	42,349	0.53
Portfolio 4	23,044,319	238,919	1.04
Total	157,065,627	1,206,930	0.77

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Short-term loans

RMB'000

Item	31 December 2024	31 December 2023
Credit loans	**145,547,053**	76,839,215
Pledged loans *(Note 1, Note 2)*	**2,333,507**	3,501,593
Guaranteed loans *(Note 3)*	**1,537,183**	1,498,950
Mortgaged loans *(Note 4, Note 5)*	**724,950**	–
Total	**150,142,693**	81,839,758

Note 1: As at 31 December 2024, short-term loans with a carrying amount of RMB2,224,395,000 (31 December 2023: RMB3,501,593,000) were secured by the pledge of the Group's trade receivables and future earnings right, as well as all the interests and gains under the contracts thereof with a carrying amount of RMB2,187,597,000 (31 December 2023: RMB3,501,593,000).

Note 2: As at 31 December 2024, short-term loans with a carrying amount of RMB145,910,000 (31 December 2023: Nil) were secured by the pledge of the Group's intangible assets with a carrying amount of RMB315,788,000 (31 December 2023: Nil).

Note 3: As at 31 December 2024, all guaranteed loans were guaranteed by the entities comprising the Group (31 December 2023: all guaranteed loans were guaranteed by the entities comprising the Group).

Note 4: As at 31 December 2024, short-term loans with a carrying amount of RMB234,210,000 (31 December 2023: Nil) were secured by the mortgage of the Group's fixed assets with a carrying amount of RMB282,290,000 (31 December 2023: Nil).

Note 5: As at 31 December 2024, short-term loans with a carrying amount of RMB490,740,000 (31 December 2023: Nil) were secured by the mortgage of the Group's investment properties with a carrying amount of RMB163,744,000 (31 December 2023: Nil).

As at 31 December 2024, annual interest rates of above short-term loans ranged from 1.10% to 7.67% (31 December 2023: 1.45% to 8.50%).

As at 31 December 2024, the Group had no overdue short-term loans (31 December 2023: Nil).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Due to customers

RMB'000

Item	31 December 2024	31 December 2023
Due to customers	**2,051,298**	1,356,691

28. Bills payable

RMB'000

Item	31 December 2024	31 December 2023
Bank acceptance bills	**35,439,074**	40,359,706
Commercial acceptance bills	**5,877,551**	13,101,536
Total	**41,316,625**	53,461,242

As at 31 December 2024, the Group had no unpaid overdue bills payable (31 December 2023: Nil).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Trade payables

Aging of trade payables is listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Within 1 year	**500,956,993**	481,905,215
1 to 2 years	**7,165,099**	6,632,866
2 to 3 years	**2,127,572**	2,006,849
Over 3 years	**2,563,976**	1,022,284
Total	**512,813,640**	491,567,214

As at 31 December 2024, trade payables aged over one year amounted to RMB11,856,647,000 (31 December 2023: RMB9,661,999,000), primarily consisted of payables for construction contracts and materials. Since the progress of relevant projects had not reached the point of payments, these trade payables had not been settled.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Trade payables (Continued)

To ensure that the suppliers can obtain the financing support and facilitate the settlement in advance, the Group has entered into supplier financing arrangements such as supply chain financing and reverse factoring. The Group will repay the amount to the bank on the agreed payment due date. Since the arrangement does not result in the Group obtaining financing from the bank by extending the actual payment term for repayment, the Group believes that the debt owed to the bank should be classified as trade payables, and the payment due date for such accounts payable generally ranges from 6 months to 12 months.

The Group's trade payables arising from supplier financing arrangement is as follows:

RMB'000

Item	31 December 2024	31 December 2023
Trade payables arising from supplier financing arrangement *(Note)*	**125,149,928**	136,865,757

Note: As at 31 December 2024, for trade payables arising from supplier financing arrangement, the suppliers have received payments of RMB87,608,769,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Contract liabilities

RMB'000

Item	31 December 2024	31 December 2023
Advances for construction operations	**81,561,817**	77,398,274
Advances for the sale of properties *(Note)*	**55,475,086**	67,719,450
Advances for the sale of materials	**2,202,546**	3,266,407
Advances for the sale of goods	**1,274,422**	825,717
Others	**1,135,479**	986,454
Total	**141,649,350**	150,196,302

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Contract liabilities (Continued)

Note: Details of advances for the sale of properties are listed as follows:

RMB'000

Project name	31 December 2024	Percentage of accumulated pre-sales as at 31 December 2024 %	Estimated completion date
Chengdu Qingyang City Park Junior Project	**4,177,939**	**91**	December 2024
Shanghai Riverside Mansion Project	**4,047,396**	**67**	October 2025
Chengdu Wuhou City Park Pure Project	**3,511,337**	**77**	August 2025
Xingyue Hubin Project	**2,418,832**	**82**	April 2025
City Throne Project	**2,333,364**	**32**	December 2025
Xipai Zhenjing Yayuan Project	**2,069,991**	**78**	August 2025
Jinyue Mingdi Project	**1,975,430**	**92**	December 2024
New Xidu Project	**1,678,053**	**35**	November 2025
Tiejian City Project	**1,628,354**	**16**	June 2025
Tianchen Yayuan Project	**1,301,940**	**97**	August 2025
Xipai Jiaozi Project	**1,299,179**	**89**	December 2025
Hefei Huayu Jiangnan Project	**1,272,018**	**43**	June 2025
CRCC Taiyuan Huayutang Project	**1,256,571**	**68**	June 2025
Xi'an CRCC International City II Project	**1,007,559**	**96**	June 2026
Xipai Yiyuan Project	**1,005,348**	**29**	April 2025
Xipai Jinshafu Project	**996,129**	**9**	June 2025
Nanjing Huayu Tainjingfu Project	**882,794**	**19**	December 2027
Changsha Huayu Jiangnan Project	**881,901**	**24**	December 2025
CRCC Xipai Lanting Project	**792,602**	**28**	November 2025
Xipai Chengyang Project	**759,158**	**95**	December 2024
Others	**20,179,191**	**–**	–
Total	**55,475,086**	**–**	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Contract liabilities (Continued)

As at the balance sheet date, significant contract liabilities aged over one year are listed as follows:

RMB'000

Company name	Relationship with the Group	31 December 2024	Reasons
Company 1	Third party	**518,549**	Work performed but not billed
Company 2	Related party	**456,948**	Work performed but not billed
Company 3	Third party	**454,062**	Work performed but not billed
Company 4	Third party	**332,613**	Work performed but not billed
Company 5	Third party	**251,643**	Work performed but not billed
Total	–	**2,013,815**	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable

2024:

RMB'000

Item	1 January 2024	Accrued	Paid	31 December 2024
Short-term benefits	13,541,909	71,352,839	71,350,483	13,544,265
Post-employment benefits (defined contribution plans)	2,575,524	9,354,775	9,425,718	2,504,581
Total	16,117,433	80,707,614	80,776,201	16,048,846

2023:

RMB'000

Item	1 January 2023	Accrued	Paid	31 December 2023
Short-term benefits	11,738,521	73,412,704	71,609,316	13,541,909
Post-employment benefits (defined contribution plans)	2,168,216	8,984,873	8,577,565	2,575,524
Total	13,906,737	82,397,577	80,186,881	16,117,433

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable (Continued)

Short-term benefits:

2024:

RMB'000

Item	1 January 2024	Accrued	Paid	31 December 2024
Salaries, bonuses, allowances and subsidies	9,049,546	49,210,395	49,052,562	9,207,379
Staff welfare	–	4,636,819	4,636,819	–
Social insurance	1,539,562	4,872,505	4,897,982	1,514,085
Including: Medical insurance	1,371,059	4,352,308	4,374,915	1,348,452
Work injury insurance	128,139	408,568	407,368	129,339
Maternity insurance	40,364	111,629	115,699	36,294
Housing funds	1,173,789	4,925,361	4,876,686	1,222,464
Union fund and employee education fund	816,225	1,410,655	1,352,444	874,436
Others	962,787	6,297,104	6,533,990	725,901
Total	13,541,909	71,352,839	71,350,483	13,544,265

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable (Continued)

Short-term benefits: (Continued)

2023:

RMB'000

Item	1 January 2023	Accrued	Paid	31 December 2023
Salaries, bonuses, allowances and subsidies	8,035,885	50,677,931	49,664,270	9,049,546
Staff welfare	–	4,812,981	4,812,981	–
Social insurance	1,302,419	4,661,509	4,424,366	1,539,562
Including: Medical insurance	1,144,269	4,217,786	3,990,996	1,371,059
Work injury insurance	116,099	348,225	336,185	128,139
Maternity insurance	42,051	95,498	97,185	40,364
Housing funds	994,463	4,690,939	4,511,613	1,173,789
Union fund and employee education fund	745,917	1,488,537	1,418,229	816,225
Others	659,837	7,080,807	6,777,857	962,787
Total	11,738,521	73,412,704	71,609,316	13,541,909

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Employee benefits payable (Continued)

Defined contribution plan:

2024:

RMB'000

Item	1 January 2024	Accrued	Paid	31 December 2024
Basic pension insurance	1,722,996	6,875,684	6,971,633	1,627,047
Unemployment insurance	105,316	264,129	270,752	98,693
Supplementary pension insurance	747,212	2,214,962	2,183,333	778,841
Total	2,575,524	9,354,775	9,425,718	2,504,581

2023:

RMB'000

Item	1 January 2023	Accrued	Paid	31 December 2023
Basic pension insurance	1,491,523	6,505,311	6,273,838	1,722,996
Unemployment insurance	91,267	247,255	233,206	105,316
Supplementary pension insurance	585,426	2,232,307	2,070,521	747,212
Total	2,168,216	8,984,873	8,577,565	2,575,524

Defined contribution plan includes basic pension insurance and unemployment insurance managed by local governments and the Group's supplementary pension insurance. In addition to the monthly payments, the Group is no longer liable for further payments. Relevant expenditures are capitalised or expensed in the period when incurred.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Taxes payable

RMB'000

Item	31 December 2024	31 December 2023
EIT	**3,671,037**	4,279,976
VAT	**2,381,631**	2,326,120
Others	**2,086,037**	2,453,181
Total	**8,138,705**	9,059,277

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Other payables

RMB'000

Item	31 December 2024	31 December 2023
Payables for advances	**39,750,746**	35,267,909
Guarantees and deposits	**34,573,655**	31,249,355
Amounts due to related parties	**23,133,873**	17,933,942
Amounts due to partners	**4,762,573**	3,729,513
Dividends payable	**1,296,068**	1,137,603
Others	**16,787,105**	16,739,815
Total	**120,304,020**	106,058,137

As at 31 December 2024, significant other payables aged over one year are listed as follows:

RMB'000

Company name	Relationship with the Group	31 December 2024	Reasons
Company 1	Third Party	**917,547**	Payables not settled
Company 2	Third Party	**213,576**	Payables not settled
Company 3	Third Party	**201,317**	Payables not settled
Company 4	Third Party	**174,280**	Payables not settled
Company 5	Third Party	**103,401**	Payables not settled
Total	–	**1,610,121**	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Current portion of non-current liabilities

RMB'000

Item	31 December 2024	31 December 2023
Current portion of long-term loans *(Note V. 36)*	**46,323,516**	32,205,519
Current portion of bonds payable *(Note V. 37)*	**19,600,735**	12,173,678
Current portion of long-term payables *(Note V. 39)*	**8,000,818**	7,732,647
Current portion of lease liabilities *(Note V. 38)*	**2,255,090**	2,106,473
Current portion of provisions	**304,957**	224,184
Current portion of post-employment benefits payable	**21,987**	26,017
Total	**76,507,103**	54,468,518

The current portion of long-term loans is presented as follows:

RMB'000

Item	31 December 2024	31 December 2023
Credit loans	**31,816,420**	20,912,845
Mortgaged loans *(Note V. 36 (Note 4, Note 5, Note 7, Note 8))*	**7,495,417**	4,482,925
Pledged loans *(Note V. 36 (Note 1, Note 2, Note 3))*	**3,984,657**	4,423,313
Guaranteed loans *(Note V. 36 (Note 9))*	**3,027,022**	2,386,436
Total	**46,323,516**	32,205,519

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Other current liabilities

RMB'000

Item	31 December 2024	31 December 2023
Amounts to be transferred to output VAT	**40,973,876**	33,419,043
Short-term unsecured financing bonds *(Note1)*	**2,011,724**	–
Others	**424,040**	275,743
Total	**43,409,640**	33,694,786

Note 1: Short-term unsecured financing bonds bear a fixed interest rate, with repayment of principal and interest at maturity.

The movement of short-term unsecured financing bonds is listed as follows:

RMB'000

Bond name	Par value	Issuance date	Bond term	Opening balance	Net amount of issuance during the year	Interests accrued	Amortisation of discounts and premium and effects of exchange rate	Repayment of principal and interest for the year	Closing balance
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase I in 2024	RMB1 billion	12 September 2024	270 days	–	999,899	6,299	59	–	1,006,257
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase II in 2024	RMB0.5 billion	23 September 2024	270 days	–	499,949	2,834	26	–	502,809
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase III in 2024	RMB0.5 billion	11 October 2024	270 days	–	499,949	2,685	24	–	502,658
Total	–	–	–	–	1,999,797	11,818	109	–	2,011,724

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans

RMB'000

Item	31 December 2024	31 December 2023
Pledged loans *(Note 1, Note 2, Note 3)*	**69,634,559**	46,162,594
Mortgaged loans *(Note 4, Note 5, Note 6, Note 7, Note 8)*	**25,241,688**	23,030,661
Guaranteed loans *(Note 9)*	**2,236,123**	8,844,955
Credit loans	**137,950,250**	87,583,268
Total	**235,062,620**	165,621,478

Note 1: As at 31 December 2024, long-term loans with a carrying amount of RMB53,292,981,000 including current portion of long-term loans of RMB1,130,866,000 (31 December 2023: RMB31,447,659,000, including current portion of long-term loans of RMB516,497,000) were secured by pledge of the Group's concession rights with a carrying amount of RMB88,231,975,000 (31 December 2023: RMB44,149,387,000).

Note 2: As at 31 December 2024, long-term loans with a carrying amount of RMB864,594,000 including current portion of long-term loans of RMB240,717,000 (31 December 2023: RMB6,102,222,000, including current portion of long-term loans of RMB2,260,244,000) were secured by pledge of the Group's trade receivables with a carrying amount of RMB865,973,000 (31 December 2023: RMB6,118,285,000).

Note 3: As at 31 December 2024, long-term loans with a carrying amount of RMB19,461,641,000 including current portion of long-term loans of RMB2,613,074,000 (31 December 2023: RMB13,036,026,000, including current portion of long-term loans of RMB1,646,572,000) were secured by pledges of the Group's contract assets of primary land development and other projects with a carrying amount of RMB26,337,133,000 (31 December 2023: the Group's contract assets of primary land development and other projects with a carrying amount of RMB14,856,837,000), and long-term receivables with a carrying amount of RMB10,269,134,000 (31 December 2023: RMB5,435,799,000).

Note 4: As at 31 December 2024, long-term loans with a carrying amount of RMB967,780,000 including current portion of long-term loans of RMB66,264,000 (31 December 2023: RMB1,522,817,000, including current portion of long-term loans of RMB63,087,000) were secured by mortgage of the Group's fixed assets with a carrying amount of RMB1,878,323,000 (31 December 2023: RMB2,955,270,000).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans (Continued)

Note 5: As at 31 December 2024, long-term loans with a carrying amount of RMB29,348,907,000 including current portion of long-term loans of RMB7,323,527,000 (31 December 2023: RMB24,393,987,000, including current portion of long-term loans of RMB4,200,338,000) were secured by mortgage of the Group's inventories with a carrying amount of RMB67,381,882,000 (31 December 2023: RMB45,687,542,000).

Note 6: As at 31 December 2024, long-term loans with a carrying amount of RMB660,819,000 (31 December 2023: RMB1,148,207,000) were secured by mortgage of the Group's construction in progress with a carrying amount of RMB995,298,000 (31 December 2023: RMB3,030,237,000).

Note 7: As at 31 December 2024, long-term loans with a carrying amount of RMB1,248,676,000 including current portion of long-term loans of RMB70,126,000 (31 December 2023: Nil) were secured by mortgage of the Group's investment properties with a carrying amount of RMB2,565,962,000 (31 December 2023: Nil).

Note 8: As at 31 December 2024, long-term loans with a carrying amount of RMB510,923,000 including current portion of long-term loans of RMB35,500,000 (31 December 2023: RMB448,575,000, including current portion of long-term loans of RMB219,500,000) were secured by mortgage of the Group's land use rights with a carrying amount of RMB438,760,000 (31 December 2023: RMB689,249,000).

Note 9: As at 31 December 2024, the guaranteed long-term loans, including current portion of long-term loans of RMB3,027,022,000 (31 December 2023: RMB2,386,436,000), were all internally guaranteed by the entities comprising the Group.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term loans (Continued)

As at 31 December 2024, the Group had no overdue long-term loans (31 December 2023: Nil).

The maturity profile of the long-term loans as at the end of the year is listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Within one year or paid on demand *(Note V. 34)*	**46,323,516**	32,205,519
In the second year (inclusive)	**57,199,589**	42,917,553
In the second to fifth year (inclusive)	**93,699,707**	70,846,881
Over five years	**84,163,324**	51,857,044
Total	**281,386,136**	197,826,997

37. Bonds payable

RMB'000

Item	31 December 2024	31 December 2023
Bonds payable	**52,321,218**	43,205,227
Less: Current portion of bonds payable *(Note V. 34)*	**19,600,735**	12,173,678
Non-current portion of bonds payable	**32,720,483**	31,031,549

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2024, balances of bonds payable are listed as follows:

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2024
CRCC Huayuan Limited Guaranteed Note due in 2027 with principal of RMB350 million and interest rate of 2.60% *(Note 1)*	3,500,000	25 September 2024	3 years	3,500,000	2.60%	–	3,500,000	24,384	(5,856)	–	3,518,528
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of public placement corporate bonds to professional investors	3,405,000	15 September 2020	3+2 years	3,405,000	4.05%	3,434,148	–	126,736	1,365	128,522	3,433,727
China Railway Construction Corporation Limited – 2024 first issue of medium term note	3,000,000	1 August 2024	10 years	3,000,000	2.28%	–	3,000,000	27,735	(2,957)	–	3,024,778
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	2,900,000	18 March 2022	3+2 years	2,900,000	3.65%	2,977,758	–	106,589	1,290	109,500	2,976,137
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	2,410,000	17 January 2024	3+2 years	2,410,000	3.30%	–	2,410,000	68,844	(3,910)	–	2,474,934
CRCC Hean Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% (Note 2)	EUR 300 million	20 May 2021	5 years	EUR 300 million	0.88%	2,365,720	–	20,413	(97,962)	20,918	2,267,253
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	2,200,000	9 January 2023	3+2 years	2,200,000	4.45%	2,286,427	–	96,599	758	117,900	2,265,884
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of medium term note	2,100,000	12 March 2020	3+2 years	2,100,000	4.50%	2,169,271	–	94,500	1,283	94,500	2,170,554
CRCC Hean Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% *(Note 3)*	USD300 million	20 May 2021	5 years	USD300 million	1.88%	2,125,786	–	40,304	33,132	40,212	2,159,010
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	1,830,000	10 March 2023	3+2 years	1,830,000	3.84%	1,898,042	–	73,147	979	96,000	1,876,168
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	1,830,000	2 March 2021	3+2 years	1,830,000	4.17%/3.25%	2,059,854	75,000	64,236	2,599	328,400	1,873,289

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2024
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	27 June 2022	3+2 years	1,760,000	3.43%	1,791,194	–	64,383	850	68,600	1,787,827
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,690,000	25 March 2022	3+2 years	1,690,000	3.67%	1,734,337	–	61,828	725	72,390	1,724,500
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety II)	1,700,000	26 July 2024	30 years	1,700,000	2.57%	–	1,700,000	18,912	(1,051)	–	1,717,861
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public placement corporate bonds to professional investors	1,300,000	22 January 2021	3+2 years	1,300,000	3.78%/3.68%	1,344,292	290,000	47,948	3,986	339,140	1,347,086
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public placement corporate bonds to professional investors	1,300,000	3 February 2021	3+2 years	1,300,000	3.95%/3.55%	1,341,994	130,000	47,017	2,140	181,350	1,339,801
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety I)	1,300,000	26 July 2024	20 years	1,300,000	2.49%	–	1,300,000	14,012	(798)	–	1,313,214
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	17 July 2023	3+2 years	1,300,000	3.58%	1,317,220	–	44,990	424	106,540	1,256,094
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of medium term note	1,210,000	26 February 2024	3+2 years	1,210,000	3.00%	–	1,210,000	30,008	(1,909)	–	1,238,099
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,120,000	15 July 2022	3+2 years	1,120,000	3.40%	1,138,863	–	45,372	638	51,000	1,133,873
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public placement corporate bonds to professional investors	1,150,000	1 September 2021	3+2 years	1,150,000	3.28%/2.50%	1,121,193	40,000	33,633	498	76,408	1,118,916
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,090,000	18 May 2022	3+2 years	1,090,000	3.30%	1,116,606	–	42,496	638	49,500	1,110,240
China Railway Construction Real Estate Group Co., Ltd. – 2020 second issue of medium term note	890,000	23 March 2020	3+2 years	890,000	4.30%	917,866	–	38,270	587	38,270	918,453
China Railway Construction Investment Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	860,000	10 October 2024	10 years	860,000	2.40%	–	860,000	5,391	(476)	–	864,915

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2024, balances of bonds payable are listed as follows: (Continued)

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2024
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety I)	770,000	27 May 2022	3 years	770,000	3.20%	787,396	50,000	28,718	893	32,000	835,007
China Railway Construction Real Estate Group Co., Ltd. – 2024 second issue of medium term note	690,000	07 March 2024	3+2 years	690,000	3.20%	–	690,000	16,088	(1,257)	–	704,831
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of medium term note	700,000	12 October 2022	3+2 years	700,000	3.74%	702,895	–	26,180	275	26,180	703,170
CRCC Kunlun Investment Group Co., Ltd.- 2024 first issue of medium term note	700,000	21 August 2024	10 years	700,000	2.48%	–	700,000	6,550	(3,757)	–	702,793
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement Corporate bond (variety II)	600,000	11 March 2020	5+2 years	600,000	3.45%	615,375	–	20,700	152	20,700	615,527
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of green medium term note	700,000	10 April 2023	3+2 years	700,000	3.55%	715,231	–	21,623	285	124,850	612,289
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of targeted placement notes	500,000	06 January 2022	3+2 years	500,000	3.70%	515,978	–	23,375	306	18,500	521,159
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of targeted placement notes	500,000	22 March 2023	3+2 years	500,000	3.90%	513,723	–	14,625	199	19,500	509,047
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of medium term note	500,000	24 August 2022	3+2 years	500,000	3.35%	507,631	–	23,523	340	26,800	504,694
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of targeted placement notes	500,000	04 July 2023	3+2 years	500,000	3.65%	502,161	–	18,250	180	18,250	502,341
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of targeted placement notes	300,000	28 March 2022	3+2 years	300,000	3.99%	312,944	–	11,970	176	11,970	313,120
China Railway Construction Real Estate Group Co., Ltd.- 2024 third issue of medium term note	310,000	05 June 2024	3+2 years	310,000	2.53%	–	310,000	6,325	(686)	2,625	313,014

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2024, balances of bonds payable are listed as follows: (Continued)

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2024	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2024
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of public placement corporate bonds to professional investors	290,000	25 March 2022	3+2 years	290,000	3.70%	287,859	10,000	10,940	138	11,100	297,837
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety II)	320,000	27 May 2022	5 years	320,000	3.68%	329,813	–	13,577	258	68,400	275,248
China Railway Construction Real Estate Group Co., Ltd. – 2019 first issue of public placement corporate bond (variety I)	2,700,000	15 March 2019	3+2 years	2,700,000	4.25%	2,764,645	–	21,938	1,167	2,787,750	–
China Railway Construction Investment Group Co., Ltd. – 2021 first issue of public placement corporate bond	2,000,000	18 October 2021	3 years	2,000,000	3.52%	2,017,115	–	52,800	485	2,070,400	–
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement corporate bond – resale of bond in 2022	1,003,000	10 April 2022	2 years	1,003,000	3.19%	1,026,765	–	1,571	(26,765)	1,001,571	–
China Railway Construction Real Estate Group Co., Ltd. – 2019 second issue of private placement Corporate bond	300,000	18 March 2019	3+2 years	300,000	4.90%	263,105	–	2,745	130	265,980	–
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement corporate bond	197,000	09 April 2019	3+2 years	197,000	3.19%	202,020	–	7,999	(2,020)	207,999	–
Total	–	–	–	–	–	43,205,227	16,275,000	1,567,244	(92,528)	8,633,725	52,321,218
Less: Current portion of bonds payable	–	–	–	–	–	12,173,678	–	–	–	–	19,600,735
Non-current portion of bonds payable	–	–	–	–	–	31,031,549	–	–	–	–	32,720,483

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2023, balances of bonds payable are listed as follows:

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of public placement corporate bonds to professional investors	3,405,000	15 September 2020	3+2 years	3,405,000	4.05%	3,620,343	385,000	141,177	3,023	715,395	3,434,148
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	3,000,000	18 March 2022	3+2 years	3,000,000	3.65%	3,075,098	–	109,500	2,660	209,500	2,977,758
China Railway Construction Real Estate Group Co., Ltd. – 2019 first issue of public placement corporate bond (variety I)	2,700,000	15 March 2019	3+2 years	2,700,000	4.25%	2,768,924	–	87,750	(4,279)	87,750	2,764,645
CRCC Hean Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% *(Note 2)*	EUR 300 million	20 May 2021	5 years	EUR 300 million	0.88%	2,232,583	–	20,576	132,466	19,905	2,365,720
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	2,200,000	09 January 2023	3+2 years	2,200,000	4.45%	–	2,200,000	89,742	(3,315)	–	2,286,427
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of medium term note	2,100,000	12 March 2020	3+2 years	2,100,000	4.50%	2,147,106	–	87,675	1,690	67,200	2,169,271
CRCC Hean Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% *(Note 3)*	USD300 million	20 May 2021	5 years	USD300 million	1.88%	2,088,966	–	39,979	36,770	39,929	2,125,786
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	2,000,000	02 March 2021	3+2 years	2,000,000	4.17%	2,058,325	–	83,400	1,529	83,400	2,059,854
China Railway Construction Investment Group Co., Ltd. – 2021 first issue of public placement corporate bond	2,000,000	18 October 2021	3 years	2,000,000	3.52%	2,016,308	–	70,400	807	70,400	2,017,115
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	1,830,000	10 March 2023	3+2 years	1,830,000	3.84%	–	1,830,000	72,000	(3,958)	–	1,898,042
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	27 June 2022	3+2 years	1,760,000	3.43%	1,228,492	560,000	68,600	2,702	68,600	1,791,194
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,690,000	25 March 2022	3+2 years	1,690,000	3.67%	1,732,807	–	62,390	1,530	62,390	1,734,337
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public placement corporate bonds to professional investors	1,300,000	22 January 2021	3+2 years	1,300,000	3.78%	1,343,183	–	49,140	1,109	49,140	1,344,292

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2024, balances of bonds payable are listed as follows: (Continued)

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public placement corporate bonds to professional investors	1,300,000	03 February 2021	3+2 years	1,300,000	3.95%	1,340,841	–	51,350	1,154	51,351	1,341,994
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	17 July 2023	3+2 years	1,300,000	3.58%	–	1,300,000	19,392	(2,172)	–	1,317,220
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,120,000	15 July 2022	3+2 years	1,120,000	3.40%	918,178	220,000	51,000	685	51,000	1,138,863
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public placement corporate bonds to professional investors	1,110,000	01 September 2021	3+2 years	1,110,000	3.28%	1,120,060	–	36,408	1,133	36,408	1,121,193
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,100,000	18 May 2022	3+2 years	1,100,000	3.30%	1,126,716	–	49,500	(110)	59,500	1,116,606
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement corporate bond, resale of bond in 2022	1,003,000	10 April 2022	2 years	1,003,000	3.19%	1,032,355	–	31,996	(5,590)	31,996	1,026,765
China Railway Construction Real Estate Group Co., Ltd. – 2020 second issue of medium term note	890,000	23 March 2020	3+2 years	890,000	4.30%	920,738	–	36,083	565	39,520	917,866
China Railway Construction Real Estate Group Co., Ltd. -2022 fifth issue of public placement corporate bonds to professional investors (variety I)	770,000	27 May 2022	3 years	770,000	3.20%	786,241	–	32,000	1,155	32,000	787,396
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of green medium term note	700,000	10 April 2023	3+2 years	700,000	3.55%	–	700,000	16,567	(1,336)	–	715,231
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of medium term note	700,000	12 October 2022	3+2 years	700,000	3.74%	402,866	300,000	26,180	29	26,180	702,895
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement corporate bond (variety II)	600,000	11 March 2020	5+2 years	600,000	3.45%	615,227	–	20,700	148	20,700	615,375

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2024, balances of bonds payable are listed as follows: (Continued)

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of targeted placement notes	500,000	06 January 2022	3+2 years	500,000	3.70%	515,762	–	18,500	216	18,500	515,978
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of targeted placement notes	500,000	22 March 2023	3+2 years	500,000	3.90%	–	500,000	14,625	(902)	–	513,723
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of medium term note	500,000	24 August 2022	3+2 years	500,000	3.35%	507,268	–	26,800	363	26,800	507,631
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of targeted placement notes	500,000	04 July 2023	3+2 years	500,000	3.65%	–	500,000	3,042	(881)	–	502,161
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety II)	320,000	27 May 2022	5 years	320,000	3.68%	328,456	–	18,400	1,358	18,401	329,813
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of targeted placement notes	300,000	28 March 2022	3+2 years	300,000	3.99%	167,827	140,000	16,533	554	11,970	312,944
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of public placement corporate bonds to professional investors	300,000	25 March 2022	3+2 years	300,000	3.70%	308,257	–	11,100	(398)	31,100	287,859
China Railway Construction Real Estate Group Co., Ltd. – 2019 second issue of private placement corporate bond	300,000	18 March 2019	3+2 years	300,000	4.90%	263,514	–	10,980	(410)	10,979	263,105
China Railway Construction Investment Group Co., Ltd. – 2019 first issue of public placement corporate bond	197,000	09 April 2019	3+2 years	197,000	3.19%	196,725	–	6,283	5,295	6,283	202,020
CRCC Yuxiang Limited Guaranteed Note due in 2023 with principal of USD800 million and interest rate of 3.5% *(Note 1)*	USD800 million	16 May 2013	10 years	USD800 million	3.50%	5,593,404	–	72,695	(29,962)	5,636,137	–
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement corporate bond (variety I)	800,000	11 March 2020	3+2 years	800,000	3.18%	819,052	–	6,360	28	825,440	–
China Railway SIYUAN Survey and Design Group Co., Ltd. – 2020 first issue of medium term note	1,000,000	24 April 2020	3 years	1,000,000	2.50%	1,014,722	–	10,278	25,000	1,050,000	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

As at 31 December 2023, balances of bonds payable are listed as follows: (Continued)

RMB'000

Bonds	Par value	Issue date	Maturity	Amount	Annual interest rate	1 January 2023	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	31 December 2023
China Railway Construction Investment Group Co., Ltd. – 2020 second issue of public placement corporate bond (COVID-19 prevention and control bond)	500,000	16 March 2020	3+2 years	500,000	3.20%	511,982	–	4,000	18	516,000	–
China Railway Construction Real Estate Group Co., Ltd. – 2018 first issue of medium term note	2,200,000	19 January 2018	5 years	2,200,000	5.94%	2,290,170	–	7,883	(3,453)	2,294,600	–
China Railway Construction Real Estate Group Co., Ltd. – Beijing Financial Assets Exchange debt financing plan – 20 Jing China Railway Construction Real Estate Co., Ltd. ZR001	100,000	27 March 2020	3 years	100,000	5.50%	102,479	–	1,060	2,927	106,466	–
Total	–	–	–	–	–	45,194,975	8,635,000	1,582,044	168,148	12,374,940	43,205,227
Less: Current portion of bonds payable	–	–	–	–	–	17,098,279	–	–	–	–	12,173,678
Non-current portion of bonds payable	–	–	–	–	–	28,096,696	–	–	–	–	31,031,549

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Bonds payable (Continued)

Note 1: The 3-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 2: The 5-year EUR bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, yearly interest payment and principal repayment at maturity.

Note 3: The 5-year USD bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Besides the long term bonds mentioned above, others were general corporate bonds issued on Shanghai Stock Exchange, and unsecured medium-term Notes, non-public directional debt financing instruments issued in National Association of Financial Market Institutional Investors. The relevant long term bonds were with fixed interest rates, interest repayment based on scheduled repayment dates and principal repayment at maturity. For certain bonds, at the end of third year or the fifth year, issuer have right to adjust coupon rate and redeem, and investor have right to put back option.

38. Lease liabilities

RMB'000

Item	31 December 2024	31 December 2023
Lease liabilities	**6,452,125**	6,186,880
Less: Total current portion of lease liabilities *(Note V. 34)*	**2,255,090**	2,106,473
Total non-current portion of lease liabilities	**4,197,035**	4,080,407

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Long-term payables

RMB'000

Item	31 December 2024	31 December 2023
Retention payables and other long-term project payables	**46,882,729**	36,700,397
Payables for specific items	**4,330,152**	5,499,201
Special payables	**296,795**	210,597
Others	**6,326,815**	6,585,624
Total	**57,836,491**	48,995,819
Less: Current portion of long-term payables *(Note V. 34)*	**8,000,818**	7,732,647
Total non-current portion of long-term payables	**49,835,673**	41,263,172

Notes to the Financial Statements

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Deferred income

2024:

RMB'000

Item	1 January 2024	Additions	Reductions	31 December 2024
Government grants related to assets	145,223	137,081	8,407	273,897
Government grants related to income	538,257	502,746	504,093	536,910
Others	329,113	–	8,984	320,129
Total	1,012,593	639,827	521,484	1,130,936

2023:

RMB'000

Item	1 January 2023	Additions	Reductions	31 December 2023
Government grants related to assets	152,936	1,300	9,013	145,223
Government grants related to income	560,245	718,244	740,232	538,257
Others	342,840	1,001	14,728	329,113
Total	1,056,021	720,545	763,973	1,012,593

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Deferred income (Continued)

As at 31 December 2024, projects related to governments grants are listed as follows:

RMB'000

Project	1 January 2024	Additions	Included in non-operating income/other income in the year	Other changes *(Note)*	31 December 2024	Related to assets/income
Enterprise Development and Support Fund	394,403	236,778	(226,972)	–	404,209	Related to assets/ income
Others	289,077	403,049	(257,713)	(27,815)	406,598	–
Total	683,480	639,827	(484,685)	(27,815)	810,807	–

As at 31 December 2023, projects related to governments grants are listed as follows:

RMB'000

Project	1 January 2023	Additions	Included in non-operating income/other income in the year	Other changes *(Note)*	31 December 2023	Related to assets/income
Enterprise Development and Support Fund	443,280	359,365	(408,242)	–	394,403	Related to assets/ income
Others	269,901	360,179	(339,677)	(1,326)	289,077	–
Total	713,181	719,544	(747,919)	(1,326)	683,480	–

Note: Government grants related to assets are used to offset against the carrying amount of relevant assets when relevant assets become ready for their intended use.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Share capital

2024:

RMB'000

Item	1 January 2024	Increase	Decrease	31 December 2024
Unrestricted shares				
– RMB ordinary shares	**11,503,246**	**–**	**–**	**11,503,246**
– Overseas listed foreign shares	**2,076,296**	**–**	**–**	**2,076,296**
Total	**13,579,542**	**–**	**–**	**13,579,542**

2023:

RMB'000

Item	1 January 2023	Increase	Decrease	31 December 2023
Unrestricted shares				
– RMB ordinary shares	11,503,246	–	–	11,503,246
– Overseas listed foreign shares	2,076,296	–	–	2,076,296
Total	13,579,542	–	–	13,579,542

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments

RMB'000

Item		31 December 2024	31 December 2023
2019 & 2020 renewable loans	*Note 1*	**22,200,000**	22,200,000
2024 renewable corporate bonds	*Note 2*	**16,489,155**	–
2022 renewable corporate bonds	*Note 3*	**10,993,335**	10,993,335
2021 renewable corporate bonds	*Note 4*	**4,297,248**	9,593,972
2023 renewable corporate bonds	*Note 5*	**4,196,933**	4,196,933
2023 medium-term notes Phase I	*Note 6*	**2,995,466**	2,995,466
2022 medium-term notes Phase I	*Note 7*	**2,995,372**	2,995,372
2019 renewable corporate bonds	*Note 8*	**–**	2,998,589
2021 CRCC medium-term notes	*Note 9*	**–**	1,994,120
2019 CRCC medium-term notes	*Note 10*	**–**	1,495,643
Total		**64,167,509**	59,463,430

Note 1: In 2019 and 2020, the Company entered into renewable loans contracts with an aggregate principal amount of RMB35,600,000,000. Pursuant to the terms of these renewable loans contracts, the Company has the option to redeem the renewable loans at the expiration of 5 years or 7 years or 10 years since the investment principal transfer date, if no redemption requested at the time point mentioned above, the investment term of the relevant investment principal will be continued, the Company will have option to request for redemption before three months at the expiration date of 1 year or 3 years. The nominal interest rate of the renewable loans mentioned above in the first loan term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent loan terms is adjusted as the current prime interest rate plus initial spread plus 100 or 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The loans are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the loans did not satisfy the definition of financial liabilities, and recognised the renewable loans as other equity instruments. In 2022 and 2021, the Company redeemed part of the above renewable loans, the principal redeemed amounted to RMB13,400,000,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments (Continued)

Note 2: From June to November 2024, the Company issued renewable bonds with an aggregate principal amount of RMB16,500,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB16,489,155,000, net of the relevant expenses of issuance of RMB10,845,000.

Note 3: On April 2022, July 2022, and December 2022, the Company issued renewable bonds respectively with an aggregate principal amount of RMB11,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 or 310 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB10,993,335,000, net of the relevant expenses of issuance of RMB6,665,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments (Continued)

Note 4: On June 2021, November 2021, and December 2021, the Company issued renewable bonds respectively with an aggregate principal amount of RMB9,600,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB9,593,972,000, net of the relevant expenses of issuance of RMB6,028,000. In 2024, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB5,300,000,000. The differences between redeemed principal and the carrying amount of RMB3,276,000 are included in capital reserve.

Note 5: On June 2023 and December 2023, the Company issued renewable bonds respectively with an aggregate principal amount of RMB4,200,000,000. Pursuant to the terms of the renewable bonds, for the phase-I renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points; for the phase-II renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 200 basis points. The maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB4,196,933,000, net of the relevant expenses of issuance of RMB3,067,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments (Continued)

Note 6: On September 2023, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,466,000, net of the relevant expenses of issuance of RMB4,534,000.

Note 7: On October 2022, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third, the fifth or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,372,000, net of the relevant expenses of issuance of RMB4,628,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments (Continued)

Note 8: On October 2019, November 2019, and December 2019, the Company issued renewable bonds respectively with an aggregate principal amount of RMB12,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB11,994,417,000, net of the relevant expenses of issuance of RMB5,583,000. In 2022, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB9,000,000,000. The differences between redeemed principal and the carrying amount of RMB4,172,000 are included in capital reserve. In 2024, the Company redeemed remaining part of the above renewable bonds, the principal redeemed amounted to RMB3,000,000,000. The differences between redeemed principal and the carrying amount of RMB1,411,000 are included in capital reserve.

Note 9: On August 2021, the Company issued medium-term notes with an aggregate principal amount of RMB2,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,994,120,000, net of the relevant expenses of issuance of RMB5,880,000. In 2024, the Company redeemed above medium-term notes, the principal redeemed amounted to RMB2,000,000,000. The differences between redeemed principal and the carrying amount of RMB5,880,000 are included in capital reserve.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Other equity instruments (Continued)

Note 10: On November 2019, the Company issued medium-term notes with an aggregate principal amount of RMB1,500,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the fifth or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,495,643,000, net of the relevant expenses of issuance of RMB4,357,000. In 2024, the Company redeemed above medium-term notes, the principal redeemed amounted to RMB1,500,000,000. The differences between redeemed principal and the carrying amount of RMB4,357,000 are included in capital reserve.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Capital reserve

2024:

RMB'000

Item	1 January 2024	Increase	Decrease	31 December 2024
Share premium *(Note 1)*	**48,848,207**	**–**	**868,186**	**47,980,021**
Relocation compensation granted by government	**160,961**	**–**	**–**	**160,961**
Others	**(161,995)**	**–**	**14,924**	**(176,919)**
Total	**48,847,173**	**–**	**883,110**	**47,964,063**

2023:

RMB'000

Item	1 January 2023	Increase	Decrease	31 December 2023
Share premium	48,896,736	49,639	98,168	48,848,207
Relocation compensation granted by government	160,961	–	–	160,961
Others	(150,641)	–	11,354	(161,995)
Total	48,907,056	49,639	109,522	48,847,173

Note 1: In 2024, the following subsidiaries of the Company, China Railway 14th Bureau Group Co., Ltd., China Railway 18th Bureau Group Co., Ltd., China Railway 19th Bureau Group Co., Ltd., China Railway 21st Bureau Group Co., Ltd. and China Railway Urban Construction Group Co., Ltd. (the "subsidiaries") and their affiliated companies ("the Target Companies") entered into Equity Transfer Agreements with several third-party investors. Pursuant to the agreements, the subsidiaries acquire the equity of the Target Companies in cash, with total transfer price of RMB5,600,000,000. Upon completion of the equity transfer, the subsidiaries held 100% shares of the Target Companies. These transactions resulted in decrease of capital reserve amounting to RMB806,410,000 and decrease of non-controlling interests amounting to RMB4,793,590,000 in the consolidated financial statements of the Group.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income

Accumulated balances of other comprehensive income attributable to owners of the Company in the consolidated statement of financial position:

RMB'000

Item	1 January 2023	Increase/ (decrease)	Less: Other comprehensive income carried forward to retained earnings	Less: Other comprehensive income carried forward to profit or loss	1 January 2024	Increase/ (decrease)	Less: Other comprehensive income carried forward to retained earnings	Less: Other comprehensive income carried forward to profit or loss	31 December 2024
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	47,176	192,843	–	–	240,019	61,728	–	–	301,747
Changes in fair value of other debt investments	(11,347)	5,162	–	(16,495)	10,310	(8,316)	–	–	1,994
Effect of deferred tax from changes in fair value of other debt investments	3,184	(1,290)	–	4,124	(2,230)	2,079	–	–	(151)
Changes in fair value of other equity instrument investments	725,500	(53,594)	57,749	–	614,157	687,284	242,070	–	1,059,371
Effect of deferred tax from changes in fair value of other equity instrument investments	(178,890)	11,756	–	–	(167,134)	(92,724)	–	–	(259,858)
Changes in fair value of receivables at FVTOCI	(9,280)	7,793	–	–	(1,487)	(5,115)	–	–	(6,602)
Effect of deferred tax from changes in fair value of receivables at FVTOCI	1,953	(2,335)	–	–	(382)	992	–	–	610
Exchange differences on translation of foreign operations	(1,451,933)	191,747	–	–	(1,260,186)	(1,079,884)	–	–	(2,340,070)
Others	54,498	(878)	154,181	–	(100,561)	895	(36,847)	–	(62,819)
Total	(819,139)	351,204	211,930	(12,371)	(667,494)	(433,061)	205,223	–	(1,305,778)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income (Continued)

Other comprehensive income in the statement of profit or loss:

2024:

RMB'000

Item	Other comprehensive income before tax	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss				
Changes in fair value of other equity instrument investments	774,148	92,724	594,560	86,864
Others	1,538	644	895	(1)
Other comprehensive income to be reclassified to profit or loss				
Share of other comprehensive income of the investee under the equity method	61,728	–	61,728	–
Changes in fair value of other debt investments	(5,248)	(1,312)	(6,237)	2,301
Changes in fair value of receivables at FVTOCI	(6,674)	(992)	(4,123)	(1,559)
Exchange differences on translation of foreign operations	(1,101,281)	–	(1,079,884)	(21,397)
Total	(275,789)	91,064	(433,061)	66,208

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income (Continued)

Other comprehensive income in the statement of profit or loss: (Continued)

2023:

RMB'000

Item	Other comprehensive income before tax	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss				
Changes in fair value of other equity instrument investments	(91,554)	(11,756)	(41,838)	(37,960)
Others	(1,015)	(93)	(878)	(44)
Other comprehensive income to be reclassified to profit or loss				
Share of other comprehensive income of the investee under the equity method	192,843	–	192,843	–
Changes in fair value of other debt investments	28,061	7,014	16,243	4,804
Changes in fair value of receivables at FVTOCI	10,145	2,335	5,458	2,352
Exchange differences on translation of foreign operations	234,545	–	191,747	42,798
Total	373,025	(2,500)	363,575	11,950

45. Special reserve

In accordance with the provisions of the Management Measures on the Enterprises Production Safety Expense of Enterprises Appropriation and Utilisation (Cai Zi [2022] No. 136) issued by the Ministry of Finance and Ministry of Emergency Management, the Group provided for the safety production expenses at 1.5%, 2.5% and 3% of the cost of construction contracts, and utilised the expenses. Further details are stated in Note III. 31.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Surplus reserve

2024:

RMB'000

Item	1 January 2024	Increase	31 December 2024
Statutory surplus reserve *(Note)*	**6,789,771**	**–**	**6,789,771**

2023:

RMB'000

Item	1 January 2023	Increase	31 December 2023
Statutory surplus reserve *(Note)*	6,789,771	–	6,789,771

Note: In accordance with the Company Law and the Company's articles of association, the Company appropriated 10% of the net profit to the surplus reserve, which is limited to 50% of the Company's registered capital. The accumulated amount of the statutory surplus reserve reached 50% of the Company's registered capital at the end of 2021, thus additional appropriation would not be needed.

The Company and certain of its subsidiaries are authorised to allocate the discretionary surplus reserve from profit after tax after the allocation of the statutory reserve. Upon the approval of the board, the discretionary surplus reserve can be used to offset previous years' losses or increase the share capital.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Retained earnings

RMB'000

Item	2024	2023
Retained earnings at the end of the previous year	**181,825,095**	162,067,076
Changes in accounting policies	**–**	(85,944)
Retained earnings at the beginning of the year	**181,825,095**	161,981,132
Net profit attributable to owners of the Company	**22,215,074**	26,096,971
Less: Appropriation to statutory surplus reserve	**–**	–
Cash dividend declared for ordinary shares *(Note 1)*	**4,752,840**	3,802,272
Interest distributed to other equity instruments holders *(Note 2)*	**2,436,579**	2,547,999
Others	**205,223**	97,263
Retained earnings at the end of the year	**197,055,973**	181,825,095

Note 1: In accordance with the resolution at the 2023 annual general meeting of shareholders on 20 June 2024, the Company declared a cash dividend for the year ended 31 December 2023 of RMB0.35 per share (2023: RMB0.28 per share), which amounted to RMB4,752,840,000 (2023: RMB3,802,272,000) based on 13,579,541,500 ordinary shares in issue. The above dividends have been paid after the general meeting of shareholders.

Note 2: In 2024, the Company accrued interest of other equity instruments holders amounting to RMB2,436,579,000 (2023: RMB2,547,999,000).

48. Revenue and cost of sales

RMB'000

Item	2024 Revenue	2024 Cost of sales	2023 (restated) Revenue	2023 (restated) Cost of sales
Revenue from principal operations	**1,058,014,579**	**951,090,941**	1,129,072,328	1,012,919,005
Other operating revenue	**9,156,758**	**6,510,847**	8,921,158	6,830,046
Total	**1,067,171,337**	**957,601,788**	1,137,993,486	1,019,749,051

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Revenue and cost of sales (Continued)

(1) Disaggregation of revenue by industry/segment is as follows:

RMB'000

Sector	2024 Revenue	2024 Cost of sales	2023 (restated) Revenue	2023 (restated) Cost of sales
Construction operations	**913,107,758**	**831,548,340**	965,113,809	877,559,052
Real estate development operations	**71,890,431**	**63,986,505**	83,271,759	73,071,096
Manufacturing operations	**19,185,073**	**13,864,413**	19,200,261	13,867,827
Planning, design and consultancy operations	**17,944,661**	**10,382,257**	18,517,503	10,402,979
Other business operations	**45,043,414**	**37,820,273**	51,890,154	44,848,097
Total	**1,067,171,337**	**957,601,788**	1,137,993,486	1,019,749,051

(2) Disaggregation of revenue by point in time of revenue recognition:

RMB'000

	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
Over time	913,107,758	–	250,309	14,097,512	7,331,915	934,787,494
A point in time	–	71,653,114	18,216,353	3,847,149	36,160,733	129,877,349
Revenue arising from leases	–	237,317	718,411	–	1,550,766	2,506,494
Total	913,107,758	71,890,431	19,185,073	17,944,661	45,043,414	1,067,171,337

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Revenue and cost of sales (Continued)

(3) The construction services provided by the Group are mainly identified as single performance obligation and met the criteria of performance obligation performed over time. As at 31 December 2024, for the construction services in progress, the transaction prices allocated to their unsatisfied (including partially unsatisfied) performance obligations are based on their performance progress over the relevant construction contract periods and would be recognised as revenue based on their performance progress in future construction contract periods.

49. Taxes and surcharges

RMB'000

Item	2024	2023
City maintenance and construction tax	**846,679**	909,365
Stamp duty	**700,038**	757,983
Property tax	**385,370**	344,722
Others	**1,697,284**	2,284,867
Total	**3,629,371**	4,296,937

50. Selling and distribution expenses

RMB'000

Item	2024	2023 (restated)
Employee compensation costs	**3,261,602**	3,738,136
Advertising and publicity expenses	**2,199,711**	2,532,831
Others	**1,374,813**	1,040,935
Total	**6,836,126**	7,311,902

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. General and administrative expenses

RMB'000

Item	2024	2023
Employee compensation costs	**16,185,207**	16,903,494
Office, travelling and transportation expenses	**1,183,750**	1,339,171
Depreciation expenses of fixed assets	**967,000**	969,772
Others	**3,992,644**	4,253,881
Total	**22,328,601**	23,466,318

In 2024, the amount of total service fees of audit and other services included in above general and administrative expenses was RMB40,875,000.

52. Research and development expenses

RMB'000

Item	2024	2023
Employee compensation costs and material costs	**25,713,270**	26,725,454

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Finance costs

RMB'000

Item	2024	2023
Interest expenses	**15,646,941**	13,793,999
Less: Interest income	**3,767,214**	4,216,238
Less: Interest capitalised	**6,011,684**	6,334,909
Exchange gains	**(392,061)**	(837,118)
Bank charges and others	**2,470,316**	2,255,715
Total	**7,946,298**	4,661,449

The amount of capitalised interest had been included in the balances of properties under development (Note V. 8 (1)), construction in progress (Note V. 20) and intangible assets (Note V. 22), etc.

54. Impairment losses on assets

RMB'000

Item	2024	2023
Losses from decline in value of inventories	**(1,970,918)**	(1,515,614)
Losses from impairment of contract assets	**(663,755)**	(1,611,709)
Losses from impairment of intangible assets	**(228,905)**	(112,459)
Losses from impairment of goodwill	**(5,855)**	(113,242)
Others	**(168,606)**	(108,163)
Total	**(3,038,039)**	(3,461,187)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Impairment of credit losses

RMB'000

Item	2024	2023
Losses from impairment of receivables	**(6,068,709)**	(6,471,159)
Reversal of impairment/(losses from impairment) on loans to customers	**10,481**	(8,885)
Total	**(6,058,228)**	(6,480,044)

56. Other income

RMB'000

Item	2024	2023
Government grants relating to daily operations	**523,620**	795,995
Others	**217,496**	158,639
Total	**741,116**	954,634

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Investment losses

RMB'000

Item	2024	2023
Share of (losses)/profits of long-term equity investments under the equity method	**(380,154)**	564,987
Investment income from disposal of long-term equity investments	**77,209**	199,416
Losses from derecognition of financial assets measured at amortised cost	**(1,808,684)**	(5,563,839)
Investment income from holding other equity instruments	**153,800**	116,607
Investment income from holding and disposal of held-for-trading financial assets and other financial assets	**299,016**	243,559
Investment income from holding debt investment	**160,651**	194,554
Others	**202,425**	14,751
Total	**(1,295,737)**	(4,229,965)

58. Losses on fair value changes

RMB'000

Item	2024	2023
Financial assets and liabilities at fair value through profit or loss	**(1,466,842)**	(643,564)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Non-operating income

RMB'000

Item	2024	2023	Non-recurring profit or loss of the year
Government grants	**72,365**	87,370	72,365
Approved unpayable balances	**320,826**	268,931	320,826
Gains on compensation, penalties and fines	**335,776**	298,632	335,776
Others	**220,875**	325,818	220,875
Total	**949,842**	980,751	949,842

Government grants credited to profit or loss for the period are listed as follows:

RMB'000

Nature	2024	2023	Related to assets/income
Enterprise development and support funds	**252,253**	429,598	Related to assets/income
Refund of taxes	**54,333**	211,557	Related to income
Others	**289,399**	242,210	Related to assets/income
Total	**595,985**	883,365	–
Including: Other income	**523,620**	795,995	–
Non-operating income	**72,365**	87,370	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Non-operating expenses

RMB'000

Item	2024	2023	Non-recurring profit or loss of the year
Loss on compensation, penalties and fines	**516,126**	482,924	516,126
Donations	**68,261**	49,001	68,261
Others	**173,973**	214,383	173,973
Total	**758,360**	746,308	758,360

61. Costs and expenses classified by nature

Supplementary information of the Group's costs of sales, selling and distribution expenses, general and administrative expenses, research and development expenses categorised by nature is listed as follows:

RMB'000

Item	2024	2023
Cost of services rendered	**771,801,557**	821,241,816
Cost of goods sold	**108,683,797**	123,046,529
Employee benefits *(Note V. 31)*	**80,707,614**	82,397,577
Depreciation expenses on fixed assets *(Note V. 19)*	**18,564,870**	17,160,631
Depreciation expenses on right-of-use assets *(Note V. 21)*	**2,676,504**	2,221,992
Amortisation expenses on intangible assets *(Note V. 22)*	**2,020,276**	1,595,989
Depreciation expenses on investment properties *(Note V. 18)*	**364,200**	327,347

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses

RMB'000

Item	2024	2023
Current tax expenses – Mainland China	**6,054,799**	8,102,851
Current tax expenses – Others	**277,820**	216,404
Deferred tax expenses	**(936,287)**	(1,819,832)
Total	**5,396,332**	6,499,423

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses (Continued)

A reconciliation of the income tax expense applicable to profit before tax is listed as follows:

RMB'000

Item	2024	2023
Profit before tax	**32,474,709**	38,828,152
Income tax at the statutory income tax rate of 25%	**8,118,677**	9,707,038
Tax effect of preferential tax rates for some subsidiaries	**(1,869,197)**	(2,261,826)
Tax effect of share of profits and losses of joint ventures and associates	**10,032**	(141,247)
Effect of non-taxable income	**(350,346)**	(247,275)
Effect of non-deductible expenses	**258,949**	346,636
Effect of utilisation of deductible tax losses previously not recognised	**(304,050)**	(413,117)
Effect of utilisation of deductible temporary differences previously not recognised	**(232,379)**	(182,790)
Tax preference for qualifying research and development expenses	**(1,711,793)**	(1,824,195)
Effects of deductible losses as deferred tax assets not recognised in the current year	**1,582,039**	1,553,645
Deductible temporary differences not recognised as deferred tax assets	**861,288**	775,680
Adjustments in respect of current income tax of previous periods	**(52,044)**	(30,022)
Effect of changes in tax rate	**(124,652)**	(615)
Interest on perpetual bonds deductible before tax	**(753,599)**	(765,238)
Others	**(36,593)**	(17,251)
Income tax expense at the Group's effective tax rate	**5,396,332**	6,499,423

The income tax of the Group which shall be paid in Chinese mainland is calculated based on the estimated taxable profit arising in China and the applicable tax rate. Tax arising from the taxable income in other regions is calculated at the statutory tax rate according to existing laws, interpretations and practices of the country or jurisdiction in which the Group operates.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the year.

RMB'000

Item	2024	2023
Earnings		
Net profit attributable to shareholders of the Company	**22,215,074**	26,096,971
Including: Profit or loss from continuing operations	**22,215,074**	26,096,971
Less: Attributable to holder of other equity instruments *(Note V. 47)*	**2,436,579**	2,547,999
Net profit attributable to ordinary shareholders	**19,778,495**	23,548,972
Shares		
Number of the outstanding ordinary shares of the Company	**13,579,541,500**	13,579,541,500
Basic earnings per share *(RMB/share)*	**1.46**	1.73
Diluted earnings per share *(RMB/share)*	**1.46**	1.73

64. Notes to items in the statement of cash flows

RMB'000

Item	2024	2023
(1) Cash received from other operating activities:		
Income from sales of raw materials	**2,705,790**	2,857,022
Recovery of loans for cooperative development project	**4,123,670**	3,181,204
Security deposit and cash pledged	**465,684**	2,547,809
Others	**8,493,800**	16,535,524
Total	**15,788,944**	25,121,559

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to items in the statement of cash flows (Continued)

RMB'000

Item	2024	2023
(2) Cash paid for other operating activities:		
Advertising and publicity expenses	**2,199,711**	2,532,831
Office and travelling expenses	**1,780,160**	1,801,488
Repair and maintenance costs	**454,558**	491,775
Others	**20,112,987**	12,504,205
Total	**24,547,416**	17,330,299

RMB'000

Item	2024	2023
(3) Cash received from other investment activities:		
Recovery of financing projects amounts	**681,737**	1,676,184
Net cash received from acquisitions of subsidiaries	**–**	227,374
Total	**681,737**	1,903,558

RMB'000

Item	2024	2023
(4) Cash paid for other financing activities:		
Cash paid from redemption of other equity instruments	**11,800,000**	7,700,000
Cash paid for lease liabilities	**2,722,000**	2,490,489
Cash paid from acquisition of non-controlling interests	**17,180,686**	370,788
Others	**911,972**	379,931
Total	**32,614,658**	10,941,208

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to items in the statement of cash flows (Continued)

Changes in various liabilities arising from financing activities are as follows:

RMB'000

Item	1 January 2024	Increase		Decrease		31 December 2024
		Changes in cash	Changes in non-cash	Changes in cash	Changes in non-cash	
Short-term loans	81,839,758	335,907,157	5,418,873	272,964,761	58,334	150,142,693
Long-term loans (including current portion of long-term loans)	197,826,997	120,444,161	46,982,675	83,814,427	53,270	281,386,136
Bonds payable (including current portion of bonds payable)	43,205,227	16,275,000	1,474,716	8,633,725	–	52,321,218
Lease liabilities (including current portion of lease liabilities)	6,186,880	–	4,055,435	2,722,000	1,068,190	6,452,125
Long-term payables (relating to financing)	2,760,324	1,985,696	57,654	911,972	485,000	3,406,702
Other payables (relating to financing)	3,893,940	8,936,356	234,809	234,809	7,505,985	5,324,311
Other payables (dividends payable)	1,137,603	–	11,233,629	11,075,164	–	1,296,068
Other current liabilities (short-term commercial paper)	–	1,999,797	11,927	–	–	2,011,724
Total	**336,850,729**	**485,548,167**	**69,469,718**	**380,356,858**	**9,170,779**	**502,340,977**

Significant activities and financial impacts that do not involve cash inflows and outflows in the current year but affect the financial position of the Company or may affect the cash flows of the Company in the future:

RMB'000

Item	2024	2023
Increase in right-of-use assets	**3,638,498**	4,567,234
Total	**3,638,498**	4,567,234

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows

(1) Supplementary information to the statement of cash flows

RMB'000

	2024	2023
Reconciliation of net profit to cash flows generated from operating activities:		
Net profit	**27,078,377**	32,328,729
Add: Impairment losses on assets	**3,038,039**	3,461,187
Impairment of credit losses	**6,058,228**	6,480,044
Depreciation of fixed assets	**18,564,870**	17,160,631
Depreciation of right-of-use assets	**2,676,504**	2,221,992
Amortisation of intangible assets	**2,020,276**	1,595,989
Amortisation of investment properties	**364,200**	327,347
Amortisation of long-term prepayments	**415,358**	448,130
Gains from retirement and disposal of fixed assets, intangible assets and other long-term assets	**(208,399)**	(602,843)
Losses on fair value changes	**1,466,842**	643,564
Finance costs	**8,243,094**	5,847,661
Investment income	**(203,774)**	(1,319,224)
Increase in deferred tax assets	**(933,866)**	(2,091,453)
(Decrease)/increase in deferred tax liabilities	**(2,421)**	271,621
Decrease/(increase) in inventories	**19,555,516**	(9,339,880)
Increase in contract assets	**(13,143,162)**	(38,683,930)
Increase in operating receivables	**(137,710,729)**	(46,233,193)
Increase in operating payables	**32,081,885**	47,571,283
(Increase)/decrease in the deposits with the central bank	**(784,670)**	324,393
Net cash flows (used in)/generated from operating activities	**(31,423,832)**	20,412,048

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows (Continued)

(1) Supplementary information to the statement of cash flows (Continued)

Net changes in cash and cash equivalents:

RMB'000

Item	2024	2023
Cash at the end of the year	**161,550,931**	150,866,988
Less: Opening balance of cash	**150,866,988**	140,774,045
Add: Closing balance of cash equivalents	**5,820,689**	1,770,789
Less: Opening balance of cash equivalents	**1,770,789**	3,741,447
Net increase in cash and cash equivalents	**14,733,843**	8,122,285

(2) Net cash paid for acquisition of subsidiaries this year

RMB'000

Item	31 December 2024
Cash or cash equivalents paid for business combination in the year	**2,483,784**
Less: Cash and cash equivalents held by subsidiaries at acquisition date	**990,856**
Net cash paid for acquisition of subsidiaries	**1,492,928**

(3) Cash and cash equivalents

RMB'000

Item	31 December 2024	31 December 2023
Cash	**161,550,931**	150,866,988
Including: Cash on hand	**57,041**	66,019
Cash with banks/financial institutions without restriction	**161,493,890**	150,800,969
Cash equivalents	**5,820,689**	1,770,789
Closing balance of cash and cash equivalents	**167,371,620**	152,637,777

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Assets with title restrictions

RMB'000

Item	31 December 2024	31 December 2023	Reason
Intangible assets	**88,986,523**	44,838,636	Pledged for loans/ Mortgaged for loans
Inventories	**67,381,882**	45,687,542	Mortgaged for loans
Contract assets	**26,337,133**	14,856,837	Pledged for loans
Cash and bank balances	**16,359,789**	13,060,657	*Note*
Long-term receivables	**10,269,134**	5,435,799	Pledged for loans
Trade receivables	**3,090,368**	9,619,878	Pledged for loans
Investment properties	**2,729,706**	–	Mortgaged for loans
Fixed assets	**2,160,613**	2,955,270	Mortgaged for loans
Construction in progress	**995,298**	3,030,237	Mortgaged for loans
Total	**218,310,446**	139,484,856	–

Note: As at 31 December 2024, the Group held frozen deposits of RMB6,635,690,000 (31 December 2023: RMB4,922,015,000). The residual amount of RMB4,480,431,000 (31 December 2023: RMB3,679,644,000) was comprised of several kinds of deposits. CRCC Finance Company Limited placed RMB5,243,668,000 (31 December 2023: RMB4,458,998,000) in the central bank as statutory reserves.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

67. Foreign currency monetary items

31 December 2024:

RMB'000

Item	Closing balance of foreign currencies *('000)*	Exchange rate	Closing balance in RMB
Cash and bank balances			7,697,244
Including: U. S. Dollar	524,895	7.1884	3,773,157
Euro	341,436	7.5257	2,569,547
MOP	411,772	0.8985	369,965
HKD	345,543	0.9260	319,987
Others			664,588
Trade receivables			2,628,941
Including: U. S. Dollar	255,698	7.1884	1,838,061
Others			790,880
Other receivables			123,790
Including: THB	156,378	0.2126	33,246
Others			90,544
Trade payables			1,684,897
Including: U. S. Dollar	81,264	7.1884	584,157
DZD	8,356,546	0.0537	449,062
Others			651,678
Other payables			162,996
TZS	15,582,631	0.0030	46,946
Others			116,050
Short-term loans			3,707,706
Including: U. S. Dollar	111,000	7.1884	797,912
Euro	384,000	7.5257	2,889,869
Others			19,925
Long-term loans (including long-term loans due within one year)			208,913
Including: Euro	23,660	7.5257	178,061
Others			30,852
Bonds payable (including current portion of bonds payable)			2,267,253
Including: Euro	301,268	7.5257	2,267,253

Note: The Group's main operating location is Mainland China and overseas markets are spread in over 100 countries and regions. There are no individually material foreign operations, and the foreign operations determine the functional currency according to the currency of the principal economic environment in which they operate. The Company, the subsidiaries, and the foreign operations determined the foreign currency monetary items mentioned above in accordance with their functional currencies respectively.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VI. CHANGES OF CONSOLIDATION SCOPE

1. Business combinations not involving enterprises under common control

The Group acquired several entities through business combination not under common control, including Sichuan Langying Highway Co., Ltd. and Xuanwei Jingyuan Environmental Protection Co., Ltd. etc. and so they were included in the consolidation scope of the Group. The individual amount of these subsidiaries' assets, liabilities, operating income etc. was not material at the acquisition date. Upon the completion of transaction, the Group's total assets increased of RMB24,122,715,000 and the Group's total liabilities increased of RMB22,465,765,000.

2. Disposal of subsidiaries

In 2024, the entities that are no longer included in the consolidation scope due to disposal of subsidiaries or other reasons are immaterial and therefore are not listed here.

3. Others

The Group acquired assets through acquisition of subsidiaries and included Guizhou Jianli Highway Co., Ltd. and Chongqing Yonglu Expressway Co., Ltd., etc. in the scope of consolidation. The individual amounts of these subsidiaries' assets, liabilities, revenue, etc. were not material at the acquisition date. Upon the completion of transaction, the Group's total assets increased by RMB20,418,317,000 and the Group's total liabilities increased by RMB19,003,611,000.

VII. EQUITY IN OTHER ENTITIES

1. Subsidiaries

(1) Particulars of the principal subsidiaries of the Company are listed as follows:

Subsidiaries acquired through establishment or investment

RMB'000

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion % Direct	Indirect
China Civil Engineering Construction Corporation	Beijing	Beijing	Construction	3,000,000	100.00	–
China Railway 11th Bureau Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction	6,162,382	81.62	–
China Railway 12th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	5,060,677	100.00	–
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,200,000	100.00	–
China Railway 14th Bureau Group Co., Ltd.	Jinan, Shandong	Jinan, Shandong	Construction	3,391,534	79.02	–
China Railway 15th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	3,000,000	100.00	–
China Railway 16th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	4,400,000	100.00	–
China Railway 17th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	3,021,226	100.00	–
China Railway 18th Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,523,404	80.30	–
China Railway 19th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	5,080,000	100.00	–
China Railway 20th Bureau Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Construction	3,385,831	70.41	–
China Railway 21st Bureau Group Co., Ltd.	Lanzhou, Gansu	Lanzhou, Gansu	Construction	2,038,000	100.00	–
China Railway 22nd Bureau Group Co., Ltd.	Beijing	Beijing	Construction	2,000,000	100.00	–
China Railway 23rd Bureau Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Construction	2,000,000	100.00	–
China Railway 24th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	2,000,000	100.00	–
China Railway 25th Bureau Group Co., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Construction	2,000,000	100.00	–
China Railway First Survey and Design Institute Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Plan, design and consultancy	1,030,000	100.00	–
China Railway SIYUAN Survey and Design Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Plan, design and consultancy	1,052,500	100.00	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(1) Particulars of the principal subsidiaries of the Company are listed as follows: (Continued)

Subsidiaries acquired through establishment or investment (Continued)

RMB'000

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion % Direct	Indirect
China Railway Construction Group Co., Ltd.	Beijing	Beijing	Construction	3,502,971	85.64	–
China Railway Construction Electrification Bureau Group Co., Ltd.	Beijing	Beijing	Construction	3,800,000	100.00	–
China Railway Material Group Co., Ltd.	Beijing	Beijing	Purchase and sales of goods and materials	3,009,360	100.00	–
CRCC High-Tech Equipment Corporation Limited	Kunming, Yunnan	Kunming, Yunnan	Manufacturing operations	1,519,884	63.70	1.30
China Railway Construction Real Estate Group Co., Ltd.	Beijing	Beijing	Real estate development and operation	7,000,000	100.00	–
China Railway Construction Heavy Industry Corporation Limited	Changsha, Hunan	Changsha, Hunan	Manufacturing operations	5,333,497	71.93	0.36
China Railway Construction Investment Group Co., Ltd.	Zhuhai, Guangdong	Zhuhai, Guangdong	Project investment, Construction	12,067,086	87.34	–
CRCC Finance Company Limited	Beijing	Beijing	Financial services	9,000,000	94.00	–
China Railway Construction Corporation (International) Limited	Beijing	Beijing	Construction	3,012,500	100.00	–
CRCC Capital Holdings Group Co., Ltd.	Beijing	Beijing	Financial services	9,000,000	100.00	–
China Railway Urban Construction Group Co., Ltd.	Changsha, Hunan	Changsha, Hunan	Construction	2,789,839	71.69	–
CRCC Kunlun Investment Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Project investment, Construction	5,087,166	70.77	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows:

31 December 2024:

RMB'000

Subsidiary	Shareholding proportion *(%)*	Net profit or loss attributable to non-controlling interests	Dividends distributed to non-controlling shareholders	Accumulated balances of non-controlling interests at the reporting date
China Railway Construction Investment Group Co., Ltd. *(Note)*	12.66	718,986	629,547	18,992,708
CRCC Kunlun Investment Group Co., Ltd.	29.23	209,469	596,784	9,746,266
China Railway 14th Bureau Group Co., Ltd. *(Note)*	20.98	282,742	323,475	6,233,582
China Railway Construction Heavy Industry Corporation Limited	27.71	418,221	133,516	4,886,294
China Railway Construction Group Co., Ltd.	14.36	228,299	222,085	4,326,238

Note: The mentioned above subsidiaries issued financial instruments, such as outstanding renewable corporate bonds and medium-term notes, which are recognised in other equity instruments and presented under the line item of "non-controlling interests" in the consolidated balance sheet of the Group. The shareholding proportion of minority shareholders of these subsidiaries represents the proportion of equity interests held by minority shareholders other than holders of other equity instruments.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows: (Continued)

RMB'000

Subsidiary	31 December 2024					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
China Railway Construction Investment Group Co., Ltd.	30,748,871	167,383,709	198,132,580	66,285,202	92,199,199	158,484,401
CRCC Kunlun Investment Group Co., Ltd.	23,538,781	101,796,570	125,335,351	53,659,011	44,387,386	98,046,397
China Railway 14th Bureau Group Co., Ltd.	67,766,785	38,375,133	106,141,918	84,394,715	6,389,947	90,784,662
China Railway Construction Heavy Industry Corporation Limited	16,508,439	10,203,406	26,711,845	7,555,880	1,578,871	9,134,751
China Railway Construction Group Co., Ltd.	89,728,522	25,245,752	114,974,274	88,604,921	12,384,665	100,989,586

RMB'000

Subsidiary	31 December 2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
China Railway Construction Investment Group Co., Ltd.	27,466,494	145,595,839	173,062,333	57,446,884	75,721,101	133,167,985
CRCC Kunlun Investment Group Co., Ltd.	26,720,774	59,673,231	86,394,005	46,125,857	15,070,541	61,196,398
China Railway 14th Bureau Group Co., Ltd.	60,527,532	33,020,417	93,547,949	72,369,906	5,124,224	77,494,130
China Railway Construction Heavy Industry Corporation Limited	14,897,761	10,543,232	25,440,993	7,750,542	1,135,651	8,886,193
China Railway Construction Group Co., Ltd.	93,434,009	20,348,024	113,782,033	86,244,870	13,130,657	99,375,527

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows (Continued):

RMB'000

	2024			
Subsidiary	**Revenue**	**Net profit**	**Total comprehensive income**	**Net cash flows generated from operating activities**
China Railway Construction Investment Group Co., Ltd.	**38,608,763**	**798,519**	**1,204,174**	**1,384,406**
CRCC Kunlun Investment Group Co., Ltd.	**35,992,819**	**845,893**	**845,893**	**3,815,797**
China Railway 14th Bureau Group Co., Ltd.	**80,901,299**	**1,341,701**	**1,341,701**	**(4,044,423)**
China Railway Construction Heavy Industry Corporation Limited	**10,046,044**	**1,508,201**	**1,502,809**	**2,044,584**
China Railway Construction Group Co., Ltd.	**63,001,288**	**557,433**	**565,715**	**(2,853,443)**

RMB'000

	2023			
Subsidiary	Revenue	Net profit	Total comprehensive income	Net cash flows generated from operating activities
China Railway Construction Investment Group Co., Ltd.	53,271,917	3,064,906	3,109,388	3,514,471
CRCC Kunlun Investment Group Co., Ltd.	58,465,857	3,579,939	3,586,095	6,983,890
China Railway 14th Bureau Group Co., Ltd.	83,522,921	1,518,340	1,518,340	3,417,169
China Railway Construction Heavy Industry Corporation Limited	10,027,467	1,593,863	1,602,232	703,533
China Railway Construction Group Co., Ltd.	84,070,074	508,382	505,804	1,382,411

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(3) As at 31 December 2024, the information of financial instruments involved in equity, such as the renewable corporate bonds, medium-term notes publicly and perpetual bonds issued by the several subsidiaries, is listed as follows:

RMB'000

Subsidiary	Amount
China Railway Construction Investment Group Co., Ltd.	9,893,615
China Railway Construction Asset Management Co., Ltd.	3,500,000
China Railway 11th Bureau Group Co., Ltd.	2,496,500
China Railway 14th Bureau Group Co., Ltd.	2,100,000

As at 31 December 2024, the information of financial liabilities, such as corporate bonds and medium-term notes publicly issued by several subsidiaries is detailed in Notes V. 37.

2. Equity in joint ventures and associates

Principal joint ventures or associates

Name of principal joint ventures or associates	Principal place of business	Place of registration	Principal activities	Shareholding proportion % Direct	Shareholding proportion % Indirect	Measurement of joint ventures and associates
Sichuan Chengmian Cangba Expressway Co., Ltd.	Mianyang, Sichuan	Mianyang, Sichuan	Highway Project Construction & Management	39.5	–	Equity method
Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Kunming, Yunnan	Kunming, Yunnan	Investment in Rail Transit Construction	54.4	–	Equity method
CRCC-Tongguan Investment Co., Ltd.	Tongling Anhui	Tongling Anhui	Mining investment & mine development technical services	30.0	–	Equity method
CRCC Financial Leasing Co., Ltd.	Tianjin	Tianjin	Finance Lease	50.0	–	Equity method

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

Major financial information of principal joint ventures

RMB'000

	31 December 2024/For the year ended 31 December 2024		31 December 2023/For the year ended 31 December 2023	
	Sichuan Chengmian Cangba Expressway Co., Ltd.	Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Sichuan Chengmian Cangba Expressway Co., Ltd.	Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.
Current assets	3,511,682	5,355,992	3,251,815	4,980,066
Including: Cash and cash equivalents	431,948	409,203	654,972	947,193
Non-current assets	49,316,898	17,713,090	42,210,877	18,654,809
Total assets	52,828,580	23,069,082	45,462,692	23,634,875
Current liabilities	1,353,819	3,583,644	1,111,391	3,621,965
Non-current liabilities	40,380,895	12,834,497	33,964,750	13,161,977
Total liabilities	41,734,714	16,418,141	35,076,141	16,783,942
Non-controlling interests	–	–	–	–
Total equity attributable to owners of the Company	11,093,866	6,650,941	10,386,551	6,850,933
The net assets multiplied by the shareholding proportion	4,382,077	3,618,112	4,102,688	3,726,908
Adjustment event – Others	1,044	158,067	(10)	178,680
Carrying amount of investments in the joint ventures attributable to the Group	4,383,121	3,776,179	4,102,678	3,905,588
Revenue	1,425	307,681	120	337,764
Finance costs	553,960	(362,408)	(20)	(312,048)
Income tax expenses	115	(53,894)	314	(32,830)
Net (loss) profit	(683,122)	5,008	(206)	140,279
Other comprehensive income	–	–	–	–
Total comprehensive income	(683,122)	5,008	(206)	140,279
Dividends from joint ventures for the year	–	132,133	–	132,455

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

Major financial information of principal associates

RMB'000

	31 December 2024/For the year ended 31 December 2024		31 December 2023/For the year ended 31 December 2023	
	CRCC-Tongguan Investment Co., Ltd.	**CRCC Financial Leasing Co., Ltd.**	CRCC-Tongguan Investment Co., Ltd.	CRCC Financial Leasing Co., Ltd.
Total assets	**19,723,106**	**41,669,857**	18,769,055	43,017,472
Total liabilities	**8,637,510**	**34,462,422**	9,277,135	36,192,424
Non-controlling interests	**–**	**–**	–	–
Total equity attributable to owners of the Company	**11,085,596**	**7,207,435**	9,491,920	6,825,048
The net assets multiplied by the shareholding proportion	**3,325,679**	**3,603,718**	2,847,576	3,412,524
Adjustment event				
– Unrealised profits of intra-group transactions	**–**	**(338,241)**	–	(251,416)
– Others	**(2,751)**	**2,480**	(37,077)	2,404
Carrying amount of investments in the associates attributable to the Group	**3,322,928**	**3,267,957**	2,810,499	3,163,512
Revenue	**8,027,487**	**3,445,408**	8,016,492	3,431,498
Finance costs	**186,907**	**1,257**	367,629	1,805
Income tax expenses	**947,741**	**132,214**	1,076,948	188,359
Net profit	**1,487,129**	**382,541**	1,789,642	422,584
Other comprehensive income	**106,547**	**(154)**	280,219	–
Total comprehensive income	**1,593,676**	**382,387**	2,069,861	422,584
Dividends from associates for the year	**–**	**–**	–	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

The aggregate financial information of the individually insignificant joint ventures:

RMB'000

Item	31 December 2024	31 December 2023
Shares of net profit of the joint ventures attributable to the Group	**(674,823)**	(902,607)
Shares of other comprehensive income of the joint ventures attributable to the Group	**(3,887)**	90,678
Shares of total comprehensive income of the joint ventures attributable to the Group	**(678,710)**	(811,929)
Carrying amount of investments in the joint ventures attributable to the Group	**56,434,323**	56,903,672

The aggregate financial information of the individually insignificant associates:

RMB'000

Item	31 December 2024	31 December 2023
Shares of net profit of the associates attributable to the Group	**(73,298)**	717,317
Shares of other comprehensive income of the associates attributable to the Group	**(3,961)**	(5,470)
Shares of total comprehensive income of the associates attributable to the Group	**(77,259)**	711,847
Carrying amount of investments in the associates attributable to the Group	**82,799,892**	78,392,408

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Equity in structured entities that have not been merged into the consolidated financial statements

As at 31 December 2024, the scale of major structured entities that the Group participated in and that were not included in the consolidated financial statements totalled approximately RMB43,969,089,000 (31 December 2023: RMB46,245,930,000). Among them, the subscription amount of the Group was approximately RMB14,962,251,000 (31 December 2023: RMB14,284,056,000) and that of other investors was approximately RMB29,006,838,000 (31 December 2023: RMB31,961,874,000). The Group has no control over this category of structured entity, so the structured entities have not been merged into the consolidated financial statements. As at 31 December 2024, the actual subscription amount paid by the Group was approximately RMB7,838,503,000 (31 December 2023: RMB6,181,649,000), which was accounted in other non-current financial assets. The Group's largest risk exposure in these structured entities is the amount of capital contributed by the Group as of the balance sheet date. The Group has no obligation or intention to provide financial support to the structured entities.

As at 31 December 2024, the Group's cumulative issuance amount of asset-backed securities was RMB81,150,000,000 (31 December 2023: RMB89,034,000,000). The subordinated tranche of the asset-backed securities was RMB4,242,800,000 (31 December 2023: RMB4,449,800,000). On 31 December 2024, the subordinated tranche of asset-backed securities held by the Group was RMB983,500,000 (31 December 2023: RMB1,036,650,000), of which RMB404,000,000 (31 December 2023: RMB230,850,000) was accounted in held-for-trading financial assets and RMB579,500,000 (31 December 2023: RMB805,800,000) was accounted in other non-current financial assets. As for asset-backed securities issued by the Group, it promises to, upon issuance of some asset-backed securities, provide paid temporary liquidity support for the principal of priority asset-backed securities and the difference between the expected returns and the distributable funds for each period of the asset-backed securities special plan, but the Group did not provide such support for some asset-backed securities upon their issuance. The Group assesses that the possibility of triggering liquidity support in the future is minimal.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

1. Financial instruments by category

The carrying amounts of each category of financial instruments at the balance sheet date are as follows:

31 December 2024:

Financial assets

RMB'000

Item	Classified as financial assets at FVTOCI	Designated as financial assets at FVTOCI	Financial assets at FVTPL	Financial assets measured at amortised cost	Total
Bills receivable	–	–	–	3,225,444	3,225,444
Trade receivables	–	–	–	204,759,238	204,759,238
Receivables at FVTOCI	1,644,048	–	–	–	1,644,048
Loans and advances to customers	–	–	–	1,140,201	1,140,201
Other receivables (excluding petty cash)	–	–	–	65,249,035	65,249,035
Other current assets	4,968,995	–	–	5,019,247	9,988,242
Long-term receivables	–	–	–	142,506,358	142,506,358
Cash and bank balances	–	–	–	185,703,115	185,703,115
Held-for-trading financial assets	–	–	1,533,116	–	1,533,116
Debt investments	–	–	–	3,881,575	3,881,575
Other equity instrument investments	–	13,167,797	–	–	13,167,797
Other non-current financial assets	–	–	11,376,122	–	11,376,122
Current portion of non-current assets	–	–	–	22,542,952	22,542,952
Total	6,613,043	13,167,797	12,909,238	634,027,165	666,717,243

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments at the balance sheet date are as follows: (Continued)

31 December 2024: (Continued)

Financial liabilities

RMB'000

Item	Other financial liabilities	Total
Short-term loans	150,142,693	150,142,693
Due to customers	2,051,298	2,051,298
Bills payable	41,316,625	41,316,625
Trade payables	512,813,640	512,813,640
Other payables	120,304,020	120,304,020
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable, provisions and lease liabilities)	73,925,069	73,925,069
Other current liabilities	2,378,224	2,378,224
Long-term loans	235,062,620	235,062,620
Bonds payable	32,720,483	32,720,483
Long-term payables (excluding special payables)	49,538,878	49,538,878
Other non-current liabilities (continuing involvement in liabilities)	572,500	572,500
Total	1,220,826,050	1,220,826,050

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments at the balance sheet date are as follows: (Continued)

31 December 2023:

Financial assets

RMB'000

Item	Classified as financial assets at FVTOCI	Designated as financial assets at FVTOCI	Financial assets at FVTPL	Financial assets measured at amortised cost	Total
Bills receivable	–	–	–	3,229,041	3,229,041
Trade receivables	–	–	–	155,809,067	155,809,067
Receivables at FVTOCI	2,723,520	–	–	–	2,723,520
Loans and advances to customers	–	–	–	1,686,305	1,686,305
Other receivables (excluding petty cash)	–	–	–	56,390,029	56,390,029
Other current assets	–	–	–	3,025,640	3,025,640
Long-term receivables	–	–	–	109,859,078	109,859,078
Cash and bank balances	–	–	–	166,957,837	166,957,837
Held-for-trading financial assets	–	–	1,629,785	–	1,629,785
Debt investments	–	–	–	6,016,176	6,016,176
Other debt investments	5,115,845	–	–	–	5,115,845
Other equity instrument investments	–	12,575,571	–	–	12,575,571
Other non-current financial assets	–	–	10,287,149	–	10,287,149
Current portion of non-current assets	6,963,058	–	–	15,035,191	21,998,249
Total	14,802,423	12,575,571	11,916,934	518,008,364	557,303,292

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instruments by category (Continued)

The carrying amounts of each category of financial instruments at the balance sheet date are as follows: (Continued)

31 December 2023: (Continued)

Financial liabilities

RMB'000

Item	Other financial liabilities	Total
Short-term loans	81,839,758	81,839,758
Due to customers	1,356,691	1,356,691
Bills payable	53,461,242	53,461,242
Trade payables	491,567,214	491,567,214
Other payables	106,058,137	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable, provisions and lease liabilities)	52,111,844	52,111,844
Other current liabilities (continuing involvement in liabilities)	230,850	230,850
Long-term loans	165,621,478	165,621,478
Bonds payable	31,031,549	31,031,549
Long-term payables (excluding special payables)	41,052,575	41,052,575
Other non-current liabilities (continuing involvement in liabilities)	798,800	798,800
Total	1,025,130,138	1,025,130,138

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

2. Transfer of financial assets

Transferred financial assets that are derecognised in their entirety but continuously involved

As at 31 December 2024, the Group had endorsed or discounted bank acceptance bills which are not yet due amounting to RMB1,853,970,000 (31 December 2023: RMB2,272,750,000). As at 31 December 2024, for bills within 12 months, if acceptance banks dishonoured the bills, endorsees shall have the right to turn to the Group for recourse according to the Law of Bill. The Group considered the risks and rewards of the bills had been transferred. Therefore, the Group had derecognised the related bills receivable and trade payables that had been settled by the bills. The undiscounted cash flows and maximum losses of continuing involvement and repurchase equalled to the book value of the bills. The Group considered the fair value of continuing involvement to be not significant.

In 2024, the Group did not recognise any profit or loss at the date of transfer. The Group had no current or accumulated gains or expenses related to continuing involvement of financial assets which had been derecognised. The endorsement or discount happens evenly throughout the year.

Transferred financial assets that are not derecognised in their entirety

In 2024, the Group sold underlying assets to the assets-backed specific plan which set up by the financial institute who are also the managers of the assets-backed specific plan. The manager represented the assets-backed specific plan to issue senior assets-backed securities and subordinate assets-backed securities to investors. The Group holds some portion of the subordinate assets-backed securities. Meanwhile, the Group acts as a receivables service provider to provide management services associated with receivables and their collection, contracts revision and other services to the assets-backed specific plan.

As the Group has restriction in the ability of guiding the operations of assets-backed specific plan, resulting in the degree which the Group using substantial rights to influence to obtain variable returns limited, the Group does not need to consolidate the assets-backed specific plan. Meanwhile, the Group has neither transferred nor retained substantially all the risks and rewards of the underlying assets ownership, and it retained control of the underlying assets transferred, the Group recognised the asset and associated liability to the extent of its continuing involvement in the transferred asset.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks

The Group's major financial instruments include loans, due to customers, bonds, and other equity instruments, etc. The purpose of these financial instruments is to support daily operations of the Group. The Group also has various financial assets and liabilities arising from operation, such as cash and bank balances, bills receivable, trade receivables, receivables at FVTOCI, other receivables, long-term receivables, bills payable, trade payables, other payables and long-term payables.

The major risks from the Group's financial instruments are credit risk, liquidity risk and market risk. The management will hold meetings at least four times a year to analyse and make plans to manage these risks. Besides, the board will hold meetings at least twice a year to discuss and approve the suggestions from management. Generally, the Group introduces conservative strategies in risk management. As these risks for the Group are kept at a low level, the Group does not use any derivative instrument and other instruments to hedge these risks in the whole year.

Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, the balances and collection of trade receivables, contract assets and long-term receivables are monitored on an ongoing basis to ensure that the Group's exposure to credit loss is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group. Besides, the Group reviews collections of financial assets at each balance sheet date to ensure sufficient provisions for estimated credit loss have been made for relevant financial assets.

Other financial assets of the Group include cash and bank balances, bills receivable, receivables at FVTOCI, other receivables, debt investments, other debt investments and loans and advances to customers. Credit risk of such financial assets is resulted from defaults of counterparties. The largest risk exposure equals to the carrying amount of these instruments. The Group is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in Note XI. 3 to the financial statements. Substantially all of the Group's cash and bank balances are held in major financial institutions located in the PRC, which management believes are of high credit quality. The Group has policies to control the size of the deposits to be placed with various reputable financial institutions according to their market reputation, operating scale and financial background with a view to limit the amount of credit exposure to any single financial institution.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

The Group adopts the provision matrix based on portfolio to assess the credit losses of trade receivables, except for trade receivables that are individually significant and credit-impaired. The Group's trade receivables involve a large number of customers. Customer type and aging information may reflect these customers' solvency in regard of such trade receivables. The Group's management classifies the trade receivables into different portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers) based on credit risk characteristics. The Group calculates the historical actual loss rate by different customer types and different aging periods based on historical data and, through regression analysis, determines the relationship between the historical actual loss rate and economic indicators, such as GDP growth, CPI. Based on the forecasted future relevant economic indicators, the Group estimates the credit loss rates. The Group's management classifies contract assets and long-term receivables into different portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers) based on their credit risk characteristics expect for contract assets or long-term receivables that are individually significant and credit-impaired. On the basis of the historical actual loss rate, the Group takes account of forward-looking information mentioned above and then determines the credit loss rates and provision matrix to evaluate ECL of contract assets and long-term receivables. Except for other receivables that are individually significant and are credit impaired, the Group assesses them individually for credit losses. The Group classifies the other receivables into different portfolios (including related parties and other external units which are taken nature of amounts into comprehensive accounts) based on credit risk characteristics of different types of customers. The Group assesses the expected credit loss of other receivables based on historical actual loss rate and considering the expected loss rate and impairment matrix after adjusting above looking-forward information.

For trade receivables, contract assets and long-term receivables that are individually significant and credit-impaired, the Group made separate credit loss assessment on individual basis. Based on the credit-impaired evidence and forward-looking information, the Group determines the expected credit loss by the difference between carrying amounts of these financial assets and the present value discounted by the original effective interest rate of expected cash flows.

For other financial assets, the Group calculates the ECL through default exposure and the expected credit loss rate for the next 12 months or the full lifetime.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

As at 31 December 2024, the credit risk exposure and ECL of trade receivables are disclosed as follows:

RMB'000

	Gross carrying amount		
	Not credit impaired	Credit impaired	Total
31 December 2024	192,577,047	32,626,838	225,203,885

	Allowance for credit losses		
	Not credit impaired	Credit impaired	Total
1 January 2024	6,203,996	11,834,741	18,038,737
Transferred to credit-impaired	(271,966)	271,966	–
Provision for the year	2,550,343	2,128,611	4,678,954
Reversal for the year	(1,241,643)	(401,107)	(1,642,750)
Write-off for the year	–	(7,229)	(7,229)
Others	(107,167)	(515,898)	(623,065)
31 December 2024	7,133,563	13,311,084	20,444,647

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

The movements of impairment losses for contract assets for the year ended 31 December 2024 are listed as follows:

RMB'000

	Gross carrying amount		
	Not credit impaired	Credit impaired	Total
31 December 2024	**286,525,875**	**24,426,629**	**310,952,504**

	Provision for impairment of assets		
	Not credit impaired	Credit impaired	Total
1 January 2024	**1,689,238**	**6,359,023**	**8,048,261**
Transferred to credit-impaired	**(38,446)**	**38,446**	**–**
Provision for the year	**538,790**	**576,896**	**1,115,686**
Reversal for the year	**(495,642)**	**(444,404)**	**(940,046)**
Write-off for the year	**–**	**(2,506,572)**	**(2,506,572)**
Others	**(768)**	**486,317**	**485,549**
31 December 2024	**1,693,172**	**4,509,706**	**6,202,878**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

As at 31 December 2024, the credit risk exposure and ECL of long-term receivables (including current portion of long-term receivables) generated from transactions scoped in ASBE No. 14 are disclosed as follows:

RMB'000

	Gross carrying amount		
	Not credit impaired	Credit impaired	Total
31 December 2024	**125,650,274**	**3,262,200**	**128,912,474**

	Allowance for credit losses		
	Not credit impaired	Credit impaired	Total
1 January 2024	**1,230,869**	**1,190,105**	**2,420,974**
Provision for the year	**432,205**	**438,091**	**870,296**
Reversal for the year	**(275,790)**	**(13,290)**	**(289,080)**
Others	**30,796**	**(261,041)**	**(230,245)**
31 December 2024	**1,418,080**	**1,353,865**	**2,771,945**

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

As at 31 December 2024, the credit risk exposure and ECL of debt investments are as follows:

RMB'000

	Gross carrying amount			
	Stage I 12-month ECL	Stage II Lifetime ECL (Not credit impaired)	Stage III Lifetime ECL (Credit impaired)	Total
31 December 2024	2,302,126	–	4,735,274	7,037,400

	Allowance for credit losses			
	Stage I 12-month ECL	Stage II Lifetime ECL (Not credit impaired)	Stage III Lifetime ECL (Credit impaired)	Total
1 January 2024	19,179	39,933	1,783,922	1,843,034
Transfer to Stage III	–	(39,933)	39,933	–
Provision for the year	1,005	–	1,323,609	1,324,614
Reversal for the year	(11,823)	–	–	(11,823)
31 December 2024	8,361	–	3,147,464	3,155,825

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Credit risk (Continued)

As at 31 December 2024, external financial guarantees and mortgages for real estate development operations provided by the Group amounted to RMB2,055,082,000 (31 December 2023: RMB2,446,537,000) and RMB20,588,858,000 (31 December 2023: RMB29,178,017,000) respectively. Details of financial guarantee contracts are set out in Note XI. 3. Management of the Group assessed overdue status of relevant borrowings, financial position of relevant debtor, and economic condition in the debtor's industry. Management is of the view that relevant credit risk of such part of financial guarantee contract had not increased significantly since initial recognition. Therefore, loss allowance for the Group's financial guarantee contracts were not determined based on the amount of lifetime ECL, but measured at the amount of the future 12-month ECL of the above financial guarantee contracts. In 2024, the Group's assessment method and significant assumptions did not change. The Group had not recognised significant expected loss allowance for guarantees and mortgages based on management's assessment.

As the Group's major customers are PRC government agencies at the national, provincial and local levels and other state-owned enterprises, the Group believes that they are reliable and of high credit quality and hence, there is no significant credit risk with these customers. As the Group's exposure to credit risk spreads over a diversified portfolio of customers, there is no significant concentration of credit risk.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Liquidity risk

The Group monitors its risk of deficiency of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and estimated cash flows from the Group's operations.

The Group's objective is to ensure continuity of sufficient funding and flexibility by utilising a variety of bank and other borrowings with debt maturities spreading over a range of periods, thereby ensuring that the Group's outstanding borrowing obligation is not exposed to excessive repayment risk in any one year. Due to the capital intensive nature of the Group's businesses, the Group ensures that it maintains sufficient cash and credit facility to meet its liquidity requirements.

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure. With regard to its future capital commitments and other financing requirements, as at 31 December 2024, the Group already had banking facilities from several PRC banks.

The Group's policy is that not more than 75% of the borrowings shall mature in the following 12 months based on the carrying amount of borrowings reflected in the financial statements. As at 31 December 2024, the Group has 44.8% of loans, bonds payable and lease liabilities that would expire within one year (as at 31 December 2023: 39.0%).

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Liquidity risk (Continued)

The table below summarises the maturity profile of the Group's financial liabilities and lease liabilities at the balance sheet date, based on the undiscounted contractual cash flows:

RMB'000

	31 December 2024					
Item	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term loans	–	151,996,844	–	–	–	151,996,844
Due to customers	2,051,298	–	–	–	–	2,051,298
Bills payable	–	41,316,625	–	–	–	41,316,625
Trade payables	–	512,813,640	–	–	–	512,813,640
Other payables	–	120,304,020	–	–	–	120,304,020
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	–	78,071,306	–	–	–	78,071,306
Other current liabilities	–	2,398,829	–	–	–	2,398,829
Long-term loans	–	7,004,769	64,203,060	105,925,758	106,831,432	283,965,019
Bonds payable	–	974,197	17,402,157	9,026,622	9,599,798	37,002,774
Long-term payables (excluding special payables)	–	–	32,438,937	12,929,816	5,363,003	50,731,756
Lease liabilities	–	–	1,837,456	1,717,445	2,198,753	5,753,654
Other non-current liabilities	–	–	509,500	63,000	–	572,500
Financial guarantees *(Note XI. 3)* (excluding the real estate mortgage guarantee)	2,055,082	–	–	–	–	2,055,082
Total	4,106,380	914,880,230	116,391,110	129,662,641	123,992,986	1,289,033,347

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Liquidity risk (Continued)

RMB'000

	31 December 2023					
Item	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term loans	–	82,899,052	–	–	–	82,899,052
Due to customers	1,356,691	–	–	–	–	1,356,691
Bills payable	–	53,461,242	–	–	–	53,461,242
Trade payables	–	491,567,214	–	–	–	491,567,214
Other payables	–	106,058,137	–	–	–	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	–	56,404,561	–	–	–	56,404,561
Other current liabilities	–	230,850	–	–	–	230,850
Long-term loans	–	5,664,418	48,080,043	79,218,292	67,519,403	200,482,156
Bonds payable	–	1,726,850	15,919,289	15,489,823	–	33,135,962
Long-term payables (excluding special payables)	–	–	23,719,420	13,602,279	5,145,559	42,467,258
Lease liabilities	–	–	1,606,486	1,747,335	2,296,868	5,650,689
Other non-current liabilities	–	–	–	798,800	–	798,800
Financial guarantees *(Note XI. 3)* (excluding the real estate mortgage guarantee)	2,446,537	–	–	–	–	2,446,537
Total	3,803,228	798,012,324	89,325,238	110,856,529	74,961,830	1,076,959,149

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. Interest-bearing borrowings, cash and short-term deposits are stated at amortised cost and are not revalued on a periodic basis. Floating rate interest income and expenses are credited/charged to the profit or loss as earned/incurred.

As at 31 December 2024, floating interest rate loans and fixed interest rate loans accounted for approximately 79.89% and 20.11% (2023: 81.19% and 18.81%) of the Group's borrowings respectively. Management would adjust the proportion of floating and fixed rate loans based on changes in the market interest rates to reduce the significant impact arising from interest rate risk.

If there was a general increase/decrease in the interest rate of bank and other borrowings with floating interest rates by 0.50% (2023: 0.50%), with all other variables held constant, the consolidated operating results would have decreased/increased by approximately RMB962,579,000 in 2024 (2023: RMB511,125,000), and there is no impact on other components of the consolidated equity, except for retained earnings, of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred as at 31 December 2024 and the exposure to interest rate risk has been applied to those borrowings in existence at that date. The estimated 0.50% (2023: 0.50%) of increase or decrease represents management's assessment of a reasonably possible change in interest rates over the year from now until the end of the next annual reporting period.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Market risk (Continued)

Foreign currency risk

As a result of its significant business operations in Mainland China, the Group's revenue and expenses are mainly denominated in RMB and over 90% of the financial assets and liabilities are denominated in RMB. The effect of the fluctuations in the exchange rates of RMB against foreign currencies on the Group's results of operations is therefore minimal and the Group had not entered into any hedging transactions as at 31 December 2024 in order to reduce the Group's exposure to foreign currency risk in this regard (31 December 2023: Nil).

The following table demonstrates the sensitivity at the balance sheet date to a reasonably possible change in the exchange rates of the United States dollar, Euro, HKD and Saudi Riyal, with all other variables held constant, of the Group's net profit and shareholder's equity net of tax.

2024:

RMB'000

Item	Exchange rate Increase/ (Decrease)	Net profit or loss Increase/ (Decrease)	Other comprehensive income, net of tax Increase/ (Decrease)	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	4%	284,810	–	284,810
Decrease in the United States dollar rate	(4%)	(284,810)	–	(284,810)
Increase in the Euro rate	4%	(92,277)	–	(92,277)
Decrease in the Euro rate	(4%)	92,277	–	92,277
Increase in the HKD rate	4%	28,056	251	28,307
Decrease in the HKD rate	(4%)	(28,056)	(251)	(28,307)

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Financial instrument risks (Continued)

Market risk (Continued)

Foreign currency risk (Continued)

2023:

RMB'000

Item	Exchange rate Increase/ (Decrease)	Net profit or loss Increase/ (Decrease)	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	4%	156,976	156,976
Decrease in the United States dollar rate	(4%)	(156,976)	(156,976)
Increase in the Euro rate	4%	(175,721)	(175,721)
Decrease in the Euro rate	(4%)	175,721	175,721
Increase in the Saudi Riyal rate	5%	(6,261)	(6,261)
Decrease in the Saudi Riyal rate	(5%)	6,261	6,261

The sensitivity analysis above has been determined assuming that the changes in foreign exchange rates had occurred as at 31 December 2024 and the exposure to foreign currency risk has been applied to those monetary assets and liabilities in existence at that date. The estimated percentage increase or decrease represents management's assessment of a reasonably possible change in foreign exchange rates over the year from now until the end of the next annual reporting period.

4. Capital management

The Group's primary objectives for capital management are to safeguard the Group's ability to continue as a going concern and keep the capital ratio at a healthy level, so that it can support business development and maximise the value of shareholders and other equity investors.

The Group sets the amount of capital in proportion to risk. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes for managing capital in 2024 and 2023.

VIII. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

4. Capital management (Continued)

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt includes all loans, due to customers, other current liabilities, bills payable, trade payables, other payables, bonds payable, lease liabilities, long-term payables (excluding special payables), current portion of non-current liabilities (excluding the current portion of long-term employee benefits payable and provisions) and other non-current liabilities less cash and bank balances. Total equity comprises equity attributable to owners of the Company and non-controlling interests stated in the consolidated statement of financial position. The gearing ratios at the balance sheet date are listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Short-term loans	**150,142,693**	81,839,758
Long-term loans	**235,062,620**	165,621,478
Due to customers	**2,051,298**	1,356,691
Bills payable	**41,316,625**	53,461,242
Trade payables	**512,813,640**	491,567,214
Other payables	**120,304,020**	106,058,137
Current portion of non-current liabilities (excluding current portion of long-term employee benefits payable and provisions)	**76,180,159**	54,218,317
Other current liabilities	**2,378,224**	230,850
Bonds payable	**32,720,483**	31,031,549
Long-term payables (excluding special payables)	**49,538,878**	41,052,575
Lease liabilities	**4,197,035**	4,080,407
Other non-current liabilities	**572,500**	798,800
Less: Cash and bank balances	**185,703,115**	166,957,837
Net debt	**1,041,575,060**	864,359,181
Attributable to shareholders' equity of the Company	**328,251,080**	309,837,517
Non-controlling interests	**94,345,742**	107,282,256
Total equity	**422,596,822**	417,119,773
Total equity and net debt	**1,464,171,882**	1,281,478,954
Gearing ratio	**71%**	67%

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IX. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

RMB'000

	Inputs of fair value measurement			
31 December 2024	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Continuous measurement of fair value				
Receivables at FVTOCI	**–**	**1,644,048**	**–**	**1,644,048**
Held-for-trading financial assets	**500,592**	**–**	**1,032,524**	**1,533,116**
Other equity instrument investments	**1,722,181**	**–**	**11,445,616**	**13,167,797**
Other non-current financial assets	**177,252**	**–**	**11,198,870**	**11,376,122**
Other current assets	**4,968,995**	**–**	**–**	**4,968,995**
Sum of assets under continuous measurement of fair value	**7,369,020**	**1,644,048**	**23,677,010**	**32,690,078**

RMB'000

	Inputs of fair value measurement			
31 December 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Continuous measurement of fair value				
Receivables at FVTOCI	–	2,723,520	–	2,723,520
Held-for-trading financial assets	467,563	–	1,162,222	1,629,785
Other debt investments	–	5,115,845	–	5,115,845
Current portion of other debt investments	6,963,058	–	–	6,963,058
Other equity instrument investments	1,974,362	–	10,601,209	12,575,571
Other non-current financial assets	169,604	–	10,117,545	10,287,149
Sum of assets under continuous measurement of fair value	9,574,587	7,839,365	21,880,976	39,294,928

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Assets and liabilities measured at fair value (Continued)

Quantitative information of fair value measurement at Level 2:

RMB'000

Item	Fair value as at 31 December 2024	Valuation technique(s)	Key input(s)
Receivables at FVTOCI	1,644,048	Discounted cash flows	Discount rates for bank acceptance bills in the same term
Total	1,644,048	–	–

Quantitative information of fair value measurement at Level 3:

RMB'000

Item	Fair value as at 31 December 2024	Valuation technique(s)	Significant unobservable input(s)
Held-for-trading financial assets/Other non-current financial assets – call options for unlisted entities	2,778,793	Binomial tree option pricing model for valuation	Unlisted entities' revenue volatility and unlisted equity investments' comparable entities' stock price volatility
Held-for-trading financial assets/Other non-current financial assets – others	9,452,601	Discounted cash flows	Future cash flows discounted at rates that reflected the expected risk level
Other equity instrument investments	11,445,616	Market method	Discount rate for lack of market mobility
Sum of assets under continuous measurement of fair value	23,677,010	–	–

Fair value of listed equity instruments is determined based on a quoted market price.

For the year ended 31 December 2024, there was no transfer of fair value measurements between each level for both financial assets and financial liabilities of the Group.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

IX. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Fair value of assets and liabilities that are not measured at fair values

The management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the financial statements approximate to their fair values except the following items with fixed interest rates:

RMB'000

Item	Carrying amount		Fair value	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
Long-term loans	**45,610,912**	39,766,723	**45,617,446**	39,964,552
Bonds payable	**32,720,483**	31,031,549	**32,778,384**	31,099,055

Note: Fair value of long-term loans and bonds payable is determined by discounted future cash flow method, with market yield of other financial instruments with similar contractual terms, credit risk and remaining period, which used as the discount rate. As at 31 December 2024, its own default risk of long-term and short-term loans was evaluated as insignificant.

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent

Company name	Place of registration	Business scope	Registered capital	Percentage of ownership interest in the Company (%)	Percentage of voting rights in the Company (%)
China Railway Construction Corporation	Beijing	Construction and management	RMB9,000,000,000	51.23	51.23

2. Subsidiaries

Please refer to Note XIV. 3(i) "Subsidiaries".

3. Joint venture and associate

Company name	Related party relationship
Beijing Jiehai Real Estate Co., Ltd.	Joint venture
Beijing Liuzhuang Real Estate Co., Ltd.	Joint venture
Beijing Ruida Real Estate Co., Ltd.	Joint venture
Beijing Xinda Real Estate Co., Ltd.	Joint venture
Beijing Xintie Xinjian Investment Co., Ltd.	Joint venture
Chengdu Chuangcheng Real Estate Co., Ltd.	Joint venture
Chengdu Jinrui Bomao Real Estate Co., Ltd.	Joint venture
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.	Joint venture
Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	Joint venture
Chengdu Tiecheng Real Estate Co., Ltd.	Joint venture
Chengdu Zhongwan Yixing Real Estate Co., Ltd.	Joint venture
Deqing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Dong'e Huicheng Investment Development and Construction Co., Ltd.	Joint venture
Fuzhou Xinchen Real Estate Co., Ltd.	Joint venture
Guangxi Urban Rail Engineering Construction Co., Ltd.	Joint venture
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.	Joint venture
Guangzhou Suiyun Real Estate Co., Ltd.	Joint venture
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	Joint venture
Guangzhou Tieyue Real Estate Development Co., Ltd.	Joint venture

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Guigang Hesi Quanyu Tourism Development Co., Ltd.	Joint venture
Guiyang Changda Rail Transit Construction Co. Ltd.	Joint venture
Guizhou Guijin Expressway Co., Ltd.	Joint venture
Guizhou Tongxin Expressway Development Co., Ltd.	Joint venture
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	Joint venture
Guoshou Tiejian (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	Joint venture
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Joint venture
Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.	Joint venture
Hebei Canggang Railway Construction and Transportation Co., Ltd.	Joint venture
Hebei China Railway Cangyan Construction Technology Co., Ltd.	Joint venture
Hohhot Metro Line 2 Construction & Management Co., Ltd.	Joint venture
Hubei Rail Transit Design & Research Co., Ltd.	Joint venture
Hubei Lvchuang Construction Co., Ltd.	Joint venture
Hunan Railway Construction Kunlun Changzhu Guixin Highway Co., Ltd.	Joint venture
Jinan Rail China Railway Segment Manufacturing Co., Ltd.	Joint venture
Jiashan Chengfa Construction and Development Co., Ltd.	Joint venture
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	Joint venture
Jiangsu Yinbao Gangkai Construction Co., Ltd.	Joint venture
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	Joint venture
Jingxing County Runlian Agricultural Development Co., Ltd.	Joint venture
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Joint venture
Kunming Kunlun Shouzhi Real Estate Co., Ltd.	Joint venture
Kunming Qiping Real Estate Co., Ltd.	Joint venture
Nanchang Railway Building Materials Co., Ltd.	Joint venture
Nanchang Xintiecheng Construction Co., Ltd.	Joint venture
Nanjing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	Joint venture
Ningbo Jingwan Investment Management Co., Ltd.	Joint venture
Ningxia Guoyun Railway Construction High-tech Materials Technology Co., Ltd.	Joint venture

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Pingdu City Characteristic Town Construction Management Co., Ltd.	Joint venture
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	Joint venture
Shanghai Hongjun Real Estate Development Co., Ltd.	Joint venture
Shiyan Luxiang Transportation Investment Co., Ltd.	Joint venture
Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	Joint venture
Sichuan Chengmian Cangba Expressway Co., Ltd.	Joint venture
Sichuan Nansuitong Expressway Co., Ltd	Joint venture
Suzhou Jingzhao Real Estate Development Co., Ltd.	Joint venture
Suzhou Ruihua Real Estate Co., Ltd.	Joint venture
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	Joint venture
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	Joint venture
Tianjin Tiejian Yinkun Equity Investment Partnership Enterprise (Limited Partnership)	Joint venture
Tianjin Wanhe Real Estate Co., Ltd.	Joint venture
Tianjin Line 1 Rail Transit Operation Co., Ltd.	Joint venture
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Joint venture
Wuhu Yangtze River Tunnel Co., Ltd.	Joint venture
Wuhan Jinkun Real Estate Development Co., Ltd.	Joint venture
Wuhan Yuejun Real Estate Development Co., Ltd.	Joint venture
Xi'an Kaishengda Real Estate Co., Ltd.	Joint venture
Xixian New Area Xingchengrenju Real Estate Co., Ltd.	Joint venture
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	Joint venture
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	Joint venture
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	Joint venture
Yunnan Luxun Highway Co., Ltd.	Joint venture
Changchun Jingde Real Estate Development Co., Ltd.	Joint venture
Changsha Zhicheng Real Estate Co., Ltd.	Joint venture
China-Africa Lekkil Investment Co., Ltd.	Joint venture
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.	Joint venture
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Joint venture
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Joint venture
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Joint venture

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	Joint venture
CRCC Kunlun Yunnan Real Estate Co., Ltd.	Joint venture
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	Joint venture
CRCC Shaanxi Highway Co., Ltd.	Joint venture
CRCC Shaanxi Meitai Expressway Co., Ltd.	Joint venture
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Joint venture
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.	Joint venture
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	Joint venture
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	Joint venture
China Railway Construction & Investment Xi'an City Development Co., Ltd.	Joint venture
China Railway Construction (Jiangsu) Ecological Environment Construction Co., Ltd.	Joint venture
Chongqing Chengyu Dianfengwu Expressway Co., Ltd.	Joint venture
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.	Joint venture
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Joint venture
Chongqing Jianlian New Real Estate Development Co., Ltd.	Joint venture
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	Joint venture
Chongqing Liangkai Expressway Co., Ltd.	Joint venture
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.	Joint venture
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Joint venture
Chongqing Tiefa Jianxin Highway Co., Ltd.	Joint venture
Chongqing Tiefa Shuanghe Expressway Co., Ltd.	Joint venture
Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	Joint venture
Chongqing Yusui Fuxian Highway Co., Ltd.	Joint venture
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Joint venture
Anhui Huiyu Construction Engineering Co., Ltd.	Associate
Anhui Zhenrui Construction Engineering Co., Ltd.	Associate
Chengdu Yueran Real Estate Co., Ltd.	Associate
Chifeng Chengquan Highway Engineering Management Co., Ltd.	Associate
Ezhou Wuchu East Extension Investment and Construction Co., Ltd.	Associate
Foshan Road and Bridge Prefabricated Components Co., Ltd.	Associate
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	Associate

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Fuzhou Donglin Ring Expressway Co., Ltd.	Associate
Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.	Associate
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Associate
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	Associate
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	Associate
Gansu Tietou Materials Co., Ltd.	Associate
Guangde Railway Construction Chuangxin Investment Partnership (Limited Partnership)	Associate
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	Associate
Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)	Associate
Guangxi Yujin Investment Development Co., Ltd.	Associate
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Associate
Guangzhou Hongxuan Real Estate Co., Ltd.	Associate
Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.	Associate
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	Associate
Guangzhou ShengDu Investment Development Co., Ltd.	Associate
Guigang Western Outer Ring Road Highway Co., Ltd.	Associate
Guizhou Jinrentong Expressway Development Co., Ltd.	Associate
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	Associate
Guizhou Wengma Railway Limited Co., Ltd.	Associate
CRCC Guizhou Engineering Investment Co., Ltd	Associate
Hainan Jinfa Railway Construction Port Construction Co., Ltd.	Associate
Hangqu Railway Co., Ltd.	Associate
Hangzhou Jiandejiang Investment Co., Ltd.	Associate
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Associate
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	Associate
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Associate
Hengda Real Estate (Shenzhen) Co., Ltd.	Associate
Huayuan County Shiba Cave Zixia Lake Beauty Comprehensive Development Co., Ltd.	Associate
Huaibei Zhongsui Construction Development Co., Ltd.	Associate
Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	Associate
Jianyang Railway Construction Hexing Highway Investment Co., Ltd.	Associate

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Jianghua Fengcheng Construction Investment Co., Ltd.	Associate
Jiangxi Wanshui Ecological Resources Development Co., Ltd.	Associate
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	Associate
Kunming Fuyi Highway Co., Ltd.	Associate
Kunming Sanqing Highway Co., Ltd.	Associate
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Associate
Liaocheng Rongxing Construction Investment Co., Ltd.	Associate
Liaocheng Xurui Municipal Engineering Co., Ltd.	Associate
CRCC Luoyang Guozhan Development and Construction Co., Ltd	Associate
Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	Associate
Nanjing Jingyue Real Estate Development Co., Ltd.	Associate
Nanjing Yuanchen Real Estate Co., Ltd.	Associate
Ningbo Runsheng Real Estate Development Co., Ltd.	Associate
Ningxia Inter-City Railway Co., Ltd.	Associate
Ningxia Chengxin Railway Logistics Co., Ltd.	Associate
Ningxia High-speed Rail Industry Development Co., Ltd.	Associate
CRCC Ningxia Ningdong Road and Bridge Investment Development Co., Ltd.	Associate
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Associate
Qingyuan Maglev Transportation Co., Ltd.	Associate
Sanya Zhongcheng Real Estate Co., Ltd.	Associate
Shandong High-speed Railway Construction Equipment Co., Ltd.	Associate
Shanxi Lihuo Expressway Co., Ltd.	Associate
Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.	Associate
Shaanxi Danningdong Highway Co., Ltd.	Associate
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Associate
Shaanxi Huangpu Expressway Co., Ltd.	Associate
Shanghai Gangheng Real Estate Co., Ltd.	Associate
Shanghai Jingmao Yue Real Estate Co., Ltd.	Associate
Shanghai Jingmiaoxin Real Estate Co., Ltd.	Associate
Shanghai Wanjinglong Real Estate Co., Ltd.	Associate
Shanghai Xinfucheng Real Estate Development Co., Ltd.	Associate

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Shanghai Xinjinghui Real Estate Development Co., Ltd.	Associate
Shanghai Xinruicheng Real Estate Development Co., Ltd.	Associate
Sichuan Jinsuiyuan Construction Development Co., Ltd.	Associate
Sichuan Jintou Project Investment Co., Ltd.	Associate
Sichuan Nongxing Land Consolidation Co., Ltd.	Associate
Sichuan Tianmeile Highway Co., Ltd.	Associate
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	Associate
Taiyuan Airport Hub Investment and Construction Co., Ltd.	Associate
Taiyuan Airport Hub Real Estate Co., Ltd.	Associate
Taiyuan Existing Residential Energy Conservation Renovation Project Management Co., Ltd.	Associate
Tianjin Bincheng Meihaoshenghuo Co., Ltd.	Associate
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	Associate
Tianshui Tram Co., Ltd.	Associate
Railway Construction Development (Dingzhou) Tanghe River Basin Treatment Co., Ltd.	Associate
CRCC Development (Rizhao) Environmental Protection Co., Ltd.	Associate
Tongling Guanghe High-Tech Energy Technology Co., Ltd.	Associate
Wantong Intercity Railway Co., Ltd.	Associate
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Associate
Wuhan LvYin Landscape Engineering Co., Ltd.	Associate
Wuhan Nanhu Municipal Pipe Network Operation and Maintenance Co., Ltd.	Associate
Wuhan Zhaorui Real Estate Co., Ltd.	Associate
Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	Associate
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	Associate
Xuzhou Jiaokong Supply Chain Co., Ltd.	Associate
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	Associate
Yangzhou Jingteng Real Estate Co., Ltd.	Associate
Yangzhou Wantou Jade Feature Town Co., Ltd.	Associate
Yongzhou Railway Co., Ltd.	Associate
Yuxi China Railway Infrastructure Construction Co., Ltd.	Associate
Yunnan Chuda Expressway Investment and Development Co., Ltd.	Associate
Yunnan Gangcheng Infrastructure Construction Co., Ltd.	Associate

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Associate
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	Associate
CRCC (Shandong) Deshang Highway Co., Ltd.	Associate
CRCC (Shandong) Gaodong Highway Co., Ltd.	Associate
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Associate
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.	Associate
China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	Associate
CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.	Associate
CRCC Gansu Zhangbian Highway Co., Ltd.	Associate
CRCC Hunan Expressway Co., Ltd.	Associate
CRCC East China (Cixi) Construction Co., Ltd.	Associate
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	Associate
CRCC Sichuan Dedu Highway Co., Ltd.	Associate
China Railway Construction Sichuan Dejian Expressway Co., Ltd.	Associate
CRCC-Tongguan Investment Co., Ltd.	Associate
China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	Associate
China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	Associate
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.	Associate
China Railway Construction Investment (Tongxiang) Construction Management Co., Ltd.	Associate
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	Associate
China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.	Associate
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	Associate
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	Associate
CRCC Investment Jizhong Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	Associate
CRCC Investment Langfang Development and Construction Co., Ltd.	Associate
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Associate
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	Associate
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Associate

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint venture and associate (Continued)

Company name	Related party relationship
CRCC Xinjiang Jingxin Expressway Co., Ltd.	Associate
CRCC Real Estate Co., Ltd.	Associate
Chongqing High Speed Railway (Chongqing) Commercial Factoring Co., Ltd.	Associate
Chongqing Tiefa Xiusong Highway Co., Ltd.	Associate
Zhuhai Jiaojian Engineering Co., Ltd.	Associate
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	Associate

4. Other related parties

Company name	Related party relationship
CRCC JinLi Asset Management Co., Ltd.	Fellow subsidiary
CRCC Financial Leasing Co., Ltd. *(Note)*	Fellow subsidiary

Note: On 14 September 2024, the Company's parent China Railway Construction Corporation obtained the control over the Group's associate CRCC Financial Leasing Co., Ltd., which became a subsidiary of the Controlling Shareholder.

5. Major related party transactions

RMB'000

Item		2024	2023
(1) Revenue from construction services	*Note 1*		
Hangqu Railway Co., Ltd.		**4,054,989**	3,298,317
Sichuan Chengmian Cangba Expressway Co., Ltd.		**3,243,785**	6,318,169
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		**2,622,431**	1,241,979
Chongqing Yuxiang Fuxian Highway Co., Ltd.		**2,398,605**	4,702,636
China Railway Construction Investment Guangxi Liuqin Expressway Co., Ltd. *(Note)*		**2,385,605**	604,822

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
Sichuan Nansuitong Expressway Co., Ltd		**2,209,706**	1,809,974
CRCC Shaanxi Meitai Expressway Co., Ltd.		**2,132,031**	2,535,094
(1) Revenue from construction services (Continued)	*Note 1*		
Guiyang Changda Rail Transit Construction Co. Ltd.		**1,988,312**	3,010,126
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.		**1,941,165**	509,285
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		**1,888,723**	2,621,108
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.		**1,826,562**	1,749,804
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.		**1,773,506**	456,523
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.		**1,749,818**	441,645
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.		**1,622,763**	3,780,575
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.		**1,514,497**	1,161,983
Kunming Sanqing Highway Co., Ltd.		**1,419,352**	1,703,139
Chongqing Tiefa Shuanghe Expressway Co., Ltd.		**1,173,271**	600,817
Guizhou Jianli Highway Co., Ltd. *(Note)*		**1,130,570**	3,550,370
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.		**1,091,009**	1,138,442
Chongqing Yusui Fuxian Highway Co., Ltd.		**1,085,039**	1,519,020
China Railway Construction Investment Guangxi Yuyi Expressway Co., Ltd. *(Note)*		**1,083,122**	2,076,927
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.		**1,028,645**	400,285
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.		**923,852**	903,787
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.		**895,701**	1,032,706
Sichuan Tianmeile Highway Co., Ltd.		**894,197**	–
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.		**860,773**	399,924
Ningxia Inter-City Railway Co., Ltd.		**855,533**	692,777
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.		**802,742**	296,840
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.		**776,592**	671,990
Guizhou Jinrentong Expressway Development Co., Ltd.		**753,221**	2,072,228

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
Wuhu Yangtze River Tunnel Co., Ltd.		**707,593**	622,907
Taiyuan Airport Hub Investment and Construction Co., Ltd.		**682,407**	474,591
Hebei China Railway Cangyan Construction Technology Co., Ltd.		**670,289**	405,752
(1) Revenue from construction services (Continued)	*Note 1*		
Kunming Fuyi Highway Co., Ltd.		**627,128**	2,272,071
Tianshui Tram Co., Ltd.		**579,759**	113,040
CRCC East China (Cixi) Construction Co., Ltd.		**577,716**	72,465
Anhui Huiyu Construction Engineering Co., Ltd.		**575,218**	255,227
CRCC Shaanxi Highway Co., Ltd.		**566,679**	106,087
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.		**544,887**	3,003,042
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.		**540,747**	1,168,739
Sichuan Tiexin Zhiyuan Construction Co., Ltd.		**533,705**	872,257
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.		**526,793**	1,125,369
Hebei Canggang Railway Construction and Transportation Co., Ltd.		**510,891**	–
Ningxia High-speed Rail Industry Development Co., Ltd.		**488,772**	374,616
Ezhou Wuchu East Extension Investment and Construction Co., Ltd.		**486,411**	70,156
Shaanxi Guanhuan Linfa Expressway Co., Ltd.		**449,782**	839,661
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.		**444,588**	–
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.		**434,643**	274,684
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.		**432,326**	389,798
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.		**430,121**	503,330
Guigang Western Outer Ring Road Highway Co., Ltd.		**429,130**	736,893
China Railway Construction & Investment Xi'an City Development Co., Ltd.		**428,756**	408,235
Tianjin Bincheng Meihaoshenghuo Co., Ltd.		**420,649**	1,167,209

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.		**310,570**	876,327
CRCC Investment Jizhong Development and Construction Co., Ltd.		**290,341**	2,316,107
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.		**278,998**	1,523,235
Fuzhou Donglin Ring Expressway Co., Ltd.		**264,949**	890,332
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.		**244,597**	701,543
(1) Revenue from construction services (Continued)	*Note 1*		
Yunnan Luxun Highway Co., Ltd.		**227,180**	1,853,161
Guizhou Guijin Expressway Co., Ltd.		**210,749**	2,045,375
China Railway Construction and Investment Shanxi Expressway Co., Ltd.		**208,139**	854,300
Chongqing Liangkai Expressway Co., Ltd	.	**171,432**	699,897
Shaanxi Danningdong Highway Co., Ltd.		**156,600**	1,123,821
Yunnan Chuda Expressway Investment and Development Co., Ltd.		**151,362**	532,545
Guizhou Tongxin Expressway Development Co., Ltd.		**104,783**	1,012,659
China Railway Construction Investment (Tongxiang) Construction Management Co., Ltd.		**89,581**	605,843
Chifeng Chengquan Highway Engineering Management Co., Ltd.		**78,087**	902,587
Wuhan Nanhu Municipal Pipe Network Operation and Maintenance Co., Ltd.		**50,110**	571,419
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.		**43,910**	686,006
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.		**22,474**	710,350
Sichuan Langying Highway Co., Ltd. *(Note)*		**2,000**	1,200,037
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.		**390**	1,085,173
CRCC Investment Baoding Urban Development and Construction Co., Ltd.		**–**	1,182,824
Total		**63,121,359**	87,930,962

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
(2) Revenue from sales of goods or rendering of services	*Note 2*		
CRCC Financial Leasing Co., Ltd.	*Note 4*	**1,196,009**	528,104
Anhui Zhenrui Construction Engineering Co., Ltd.		**85,427**	405,013
Sichuan Chengmian Cangba Expressway Co., Ltd.		**75,453**	–
CRCC Sichuan Dedu Highway Co., Ltd.		**37,474**	14,583
Yunnan Kunchu Highway Investment & Development Co., Ltd.		**37,233**	–
China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.		**36,677**	–
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.		**36,547**	8,206
(2) Revenue from sales of goods or rendering of services (Continued)	*Note 2*		
China Railway Construction Sichuan Dejian Expressway Co., Ltd.		**33,724**	13,610
Shaanxi Huangpu Expressway Co., Ltd.		**32,857**	–
CRCC Shaanxi Highway Co., Ltd.		**32,204**	10,278
CRCC Hunan Expressway Co., Ltd.		**31,181**	12,048
Chongqing Tiefa Jianxin Highway Co., Ltd.		**29,360**	1,341
CRCC (Shandong) Gaodong Highway Co., Ltd.		**24,019**	–
CRCC (Shandong) Deshang Highway Co., Ltd.		**21,463**	–
Jinan Rail China Railway Segment Manufacturing Co., Ltd.		**5,657**	21,238
CRCC Xinjiang Jingxin Expressway Co., Ltd.		**–**	11,947
Total		**1,715,285**	1,026,368
(3) Other income	*Note 3*		
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.		**97,078**	7,797
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.		**96,765**	69,623
Shanghai Jingmao Yue Real Estate Co., Ltd.		**63,465**	–
Guangzhou ShengDu Investment Development Co., Ltd.		**49,523**	41,560
Kunming Qiping Real Estate Co., Ltd.		**43,746**	44,272
China Railway Construction Corporation	*Note 4*	**39,043**	39,534
Guangzhou Suiyun Real Estate Co., Ltd.		**38,403**	36,182

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
(3) Other income (Continued)	*Note 3*		
Chengdu Tiecheng Real Estate Co., Ltd.		**36,149**	39,010
Wuhan Zhaorui Real Estate Co., Ltd.		**35,343**	51,792
Liaocheng Xurui Municipal Engineering Co., Ltd.		**34,675**	12,762
Guangzhou Nansha Kecheng Investment Development Co., Ltd.		**31,085**	25,926
CRCC Ningxia Ningdong Road and Bridge Investment Development Co., Ltd.		**23,560**	17,393
Fuzhou Xinchen Real Estate Co., Ltd.		**22,507**	71,554
Changchun Jingde Real Estate Development Co., Ltd.		**22,288**	–
Suzhou Jingzhao Real Estate Development Co., Ltd.		**21,405**	35,468
China Railway Construction & Investment Xi'an City Development Co., Ltd.		**18,117**	22,987
Yuxi China Railway Infrastructure Construction Co., Ltd.		**17,942**	17,918
Wuhan Jinkun Real Estate Development Co., Ltd.		**17,191**	–
Chengdu Yueran Real Estate Co., Ltd.		**15,584**	26,033
Hubei Lvchuang Construction Co., Ltd.		**14,359**	–
Xi'an Kaishengda Real Estate Co., Ltd.		**13,979**	45,178
Wuhan Yuejun Real Estate Development Co., Ltd.		**12,564**	–
Guangzhou Tieyue Real Estate Development Co., Ltd.		**11,922**	14,524
CRCC-Tongguan Investment Co., Ltd.		**6,724**	26,317
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.		**4,128**	23,430
CRCC Real Estate Co., Ltd.		**–**	29,559
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.		**–**	21,998
Beijing Jiehai Real Estate Co., Ltd.		**–**	57,638
Beijing Ruida Real Estate Co., Ltd.		**–**	60,564
Total		**787,545**	839,019

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

RMB'000

Item		2024	2023
(4) Purchase of goods or receipt of services	*Note 5*		
Xuzhou Jiaokong Supply Chain Co., Ltd.		**441,100**	545,213
Guangxi Urban Rail Engineering Construction Co., Ltd.		**177,796**	10,207
Shandong High-speed Railway Construction Equipment Co., Ltd.		**173,274**	6,130
Gansu Tietou Materials Co., Ltd.		**166,511**	124,032
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.		**163,087**	–
Ningxia Guoyun Railway Construction High-tech Materials Technology Co., Ltd.		**101,574**	34,651
Jinan Rail China Railway Segment Manufacturing Co., Ltd.		**67,696**	302,952
Nanchang Railway Building Materials Co., Ltd.		**49,030**	7,487
Hubei Rail Transit Design & Research Co., Ltd.		**42,292**	–
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.		**10,439**	263,772
CRCC Financial Leasing Co., Ltd.	*Note 4*	**2,326**	94,755
Total		**1,395,125**	1,389,199
(5) Other expenses	*Note 5*		
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.		**149,660**	127,500
Beijing Xintie Xinjian Investment Co., Ltd.		**93,745**	131,059
China Railway Construction Corporation	*Note 4*	**53,743**	52,861
CRCC JinLi Asset Management Co., Ltd.	*Note 4*	**10,673**	15,005
Chongqing Tiefa Jianxin Highway Co., Ltd.		**12,369**	–
Total		**320,190**	326,425

Note: In 2024, the Group obtained the control over these entities and they were included in the consolidation scope of the Group. The transaction amounts of above items represent the revenue before the Group obtained their control.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

(6) Related party leasing

As the lessee:

RMB'000

Lessor		Leasing asset types	Amount recognised in the current year	Amount recognised in the previous year
CRCC Financial Leasing Co., Ltd.	Note 4, Note 6	Machinery	1,919,621	1,976,765
China Railway Construction Corporation	Note 4, Note 6	Buildings	88,723	97,091
CRCC JinLi Asset Management Co., Ltd.	Note 4, Note 6	Buildings	43,288	36,587
CRCC Financial Leasing Co., Ltd.	Note 4, Note 6	Buildings	4,201	–
Total		–	2,055,833	2,110,443

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

(7) Guarantees granted to a related party

31 December 2024:

RMB'000

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Limited Co., Ltd.	606,699	31 March 2016	31 March 2039	No
Wuhan Zhaorui Real Estate Co., Ltd.	464,030	17 August 2022	30 December 2027	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	499,065	14 June 2022	21 December 2031	No
Total	1,569,794	–	–	–

31 December 2023:

RMB'000

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Limited Co., Ltd.	623,347	31 March 2016	31 March 2039	No
Wuhan Zhaorui Real Estate Co., Ltd.	538,020	17 August 2022	30 December 2027	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	398,040	14 June 2022	21 December 2031	No
Wuhan Zhaorui Real Estate Co., Ltd.	191,100	9 July 2021	27 March 2024	No
Total	1,750,507	–	–	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Major related party transactions (Continued)

(8) Key management's remuneration

RMB'000

Item	2024	2023
Key management's remuneration	13,002	18,536

Note 1: The terms of the construction service agreements entered into by the Group and related parties were mutually agreed by the parties.

Note 2: The terms of the contracts on sales of goods or provision of services entered into by the Group and related parties were mutually agreed by the parties.

Note 3: The terms of the agreements relating to rendering of or receiving other services entered into by the Group and related parties were mutually agreed by the parties. The other income from related parties was mainly interest income from loans receivable.

Note 4: The above related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

Note 5: The terms of the purchase agreements of goods and services entered into by the Group and related parties were mutually agreed by the parties.

Note 6: The lease fees recognised by the Group and its affiliated companies are the lease payments paid by the Group to repay the lease liabilities in the current period and the short-term lease and low-value assets lease expenses included in the current profit and loss.

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Bills receivable	*Note 1*				
China Railway Construction Investment (Linqing) Highway Construction Co., Ltd.		314,901	315	–	–
China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd.		242,642	243	–	–
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		183,000	183	–	–
Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.		86,000	86	46,000	230
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.		–	–	90,000	450
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.		–	–	300,000	1,500
Total		826,543	827	436,000	2,180
Trade receivables	*Note 1*				
CRCC Luoyang Guozhan Development and Construction Co., Ltd		606,290	17,005	761,448	17,154
Taiyuan Airport Hub Investment and Construction Co., Ltd.		550,608	565	–	–
Anhui Zhenrui Construction Engineering Co., Ltd.		372,556	896	402,153	1,263
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.		316,374	1,459	160,679	1,042
CRCC Financial Leasing Co., Ltd.		296,470	1,212	64,807	243
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.		251,890	1,259	2,313	2
Railway Construction Development (Dingzhou) Tanghe River Basin Treatment Co., Ltd.		234,148	1,122	224,995	1,125
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.		209,244	229	174,267	174

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (Continued)	*Note 1*				
Yuxi China Railway Infrastructure Construction Co., Ltd.		**203,464**	**3,527**	248,692	7,369
CRCC Kunlun Yunnan Real Estate Co., Ltd.		**193,740**	**1,124**	72,743	416
Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.		**191,744**	**614**	614	614
China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.		**171,191**	**103**	23,544	30
Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.		**167,908**	**13,512**	135,078	11,841
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.		**164,324**	**169**	21,958	136
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		**161,459**	**1,530**	204,969	250
Jiangsu Yinbao Gangkai Construction Co., Ltd.		**161,076**	**1,110**	1,110	1,110
Guangzhou ShengDu Investment Development Co., Ltd.		**159,179**	**753**	68,422	290
Sichuan Tiexin Zhiyuan Construction Co., Ltd.		**146,783**	**530**	114,595	951
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.		**145,766**	**2,248**	292,075	1,499
Huaibei Zhongsui Construction Development Co., Ltd.		**144,887**	**265**	155,445	265
Hebei Canggang Railway Construction and Transportation Co., Ltd.		**137,940**	**690**	–	–
CRCC Development (Rizhao) Environmental Protection Co., Ltd.		**129,402**	**129**	235,678	1,178
Ningxia High-speed Rail Industry Development Co., Ltd.		**123,211**	**902**	14,469	1,125
Taiyuan Airport Hub Real Estate Co., Ltd.		**122,482**	**600**	45,990	166
Chengdu Chuangcheng Real Estate Co., Ltd.		**122,438**	**609**	798	1
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.		**121,305**	**1,107**	236,130	236
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.		**120,641**	**4,269**	44,573	1,959
Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.		**113,262**	**1,133**	135,028	1,514
Sichuan Nongxing Land Consolidation Co., Ltd.		**109,151**	**1,149**	12,723	627

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (Continued)	*Note 1*				
China-Africa Lekkil Investment Co., Ltd.		106,516	107	58,426	58
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.		105,876	2,505	13,019	65
Suzhou Jingzhao Real Estate Development Co., Ltd.		105,759	285	175,133	489
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.		102,978	662	182,453	906
Jiangxi Wanshui Ecological Resources Development Co., Ltd.		101,001	505	152,290	761
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.		97,638	488	78,958	539
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.		95,854	516	75,269	377
Nanjing Jingyue Real Estate Development Co., Ltd.		95,393	475	14,336	37
Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.		90,446	452	3,947	20
Liaocheng Xurui Municipal Engineering Co., Ltd.		89,627	7,663	89,627	186
Chongqing Tiefa Jianxin Highway Co., Ltd.		89,599	909	104,767	1,758
Pingdu City Characteristic Town Construction Management Co., Ltd.		89,091	446	90,477	452
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.		86,011	86	72,353	175
Jiashan Chengfa Construction and Development Co., Ltd.		84,127	63	–	–
China Railway Construction (Jiangsu) Ecological Environment Construction Co., Ltd.		77,926	1,905	11,848	1,562
Guigang Hesi Quanyu Tourism Development Co., Ltd.		76,797	77	66,080	66
Sichuan Tianmeile Highway Co., Ltd.		75,918	401	–	–
Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.		74,779	209	74,779	209
Shiyan Luxiang Transportation Investment Co., Ltd.		73,261	1,051	9,357	582
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.		73,112	366	2,070	10
Shanxi Lihuo Expressway Co., Ltd.		72,612	55	1,519	13
Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.		71,018	78	1,720	5

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables (Continued)	*Note 1*				
Nanchang Xintiecheng Construction Co., Ltd.		**70,629**	**3,531**	106,468	532
Shanghai Wanjinglong Real Estate Co., Ltd.		**70,333**	**686**	50,032	244
Jianyang Railway Construction Hexing Highway Investment Co., Ltd.		**68,768**	**689**	163,795	2,886
Ningxia Inter-City Railway Co., Ltd.		**65,547**	**706**	90,967	2,507
Qingyuan Maglev Transportation Co., Ltd.		**61,107**	**353**	95,822	483
China Railway Construction Sichuan Dejian Expressway Co., Ltd.		**59,778**	**283**	73,564	368
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.		**48,147**	**436**	134,110	1,164
Liaocheng Rongxing Construction Investment Co., Ltd.		**47,273**	**765**	74,418	398
Kunming Qiping Real Estate Co., Ltd.		**32,268**	**68**	70,553	288
CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.		**21,010**	**107**	83,021	415
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.		**17,333**	**426**	77,525	386
Anhui Huiyu Construction Engineering Co., Ltd.		**13,253**	**361**	73,513	77
CRCC Real Estate Co., Ltd.		**12,953**	**43**	87,937	297
Tianshui Tram Co., Ltd.		**12,426**	**63**	124,453	679
Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.		**8,032**	**40**	215,029	215
Xixian New Area Xingchengrenju Real Estate Co., Ltd.		**6,359**	**123**	136,892	1,619
Guizhou Jinrentong Expressway Development Co., Ltd.		**3,499**	**3**	241,859	242
Ningxia Chengxin Railway Logistics Co., Ltd.		**591**	**270**	106,209	531
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.		**310**	**140**	128,675	812
CRCC Shaanxi Meitai Expressway Co., Ltd.		**95**	**–**	335,691	356
Tianjin Bincheng Meihaoshenghuo Co., Ltd.		**–**	**–**	322,423	1,575
Total		**8,503,983**	**88,217**	7,926,680	76,924

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Loans and advances to customers					
China Railway Construction Corporation	*Note 3*	1,095,056	34,203	1,650,000	45,375
Hangqu Railway Co., Ltd.		83,360	4,012	85,000	3,320
Total		1,178,416	38,215	1,735,000	48,695
Other receivables					
Tianjin Wanhe Real Estate Co., Ltd.	*Note 2*	2,500,872	560,059	2,537,172	505,619
Beijing Xintie Xinjian Investment Co., Ltd.	*Note 2*	2,296,318	1,610	440,035	243
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	*Note 2*	1,830,180	1,873	1,633,436	1,691
Guangzhou ShengDu Investment Development Co., Ltd.	*Note 2*	1,350,614	1,351	1,344,976	1,345
Beijing Ruida Real Estate Co., Ltd.	*Note 2*	1,313,942	70,612	1,341,562	1,342
Wuhan Zhaorui Real Estate Co., Ltd.	*Note 2*	1,272,589	53,088	1,124,439	1,124
Beijing Jiehai Real Estate Co., Ltd.	*Note 2*	979,944	980	972,944	973
Chengdu Tiecheng Real Estate Co., Ltd.	*Note 2*	926,302	926	822,791	823
CRCC Guizhou Engineering Investment Co., Ltd		913,244	232,895	913,446	150,588
Guangzhou Suiyun Real Estate Co., Ltd.	*Note 2*	825,810	183,360	785,102	64,595
Kunming Qiping Real Estate Co., Ltd.	*Note 2*	733,454	918	643,421	643
Chengdu Jinrui Bomao Real Estate Co., Ltd.	*Note 2*	703,285	703	–	–
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	*Note 2*	634,259	634	491,046	491
China Railway Construction & Investment Xi'an City Development Co., Ltd.		600,247	27,935	969,360	28,597
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	*Note 2*	599,557	374,376	494,197	280,075
Nanjing Yuanchen Real Estate Co., Ltd.	*Note 2*	567,760	568	643,080	643
Ningbo Jingwan Investment Management Co., Ltd.	*Note 2*	488,585	489	522,350	522
Changchun Jingde Real Estate Development Co., Ltd.	*Note 2*	468,214	468	446,350	440
Fuzhou Xinchen Real Estate Co., Ltd.	*Note 2*	458,584	459	434,727	435
Suzhou Jingzhao Real Estate Development Co., Ltd.	*Note 2*	422,121	1,456	395,602	396
China Railway Construction Sichuan Dejian Expressway Co., Ltd.		413,825	2,103	206,592	1,196
Yangzhou Jingteng Real Estate Co., Ltd.	*Note 2*	373,395	373	–	–
Xixian New Area Xingchengrenju Real Estate Co., Ltd.	*Note 2*	272,888	321	240,046	240

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other receivables (Continued)					
Shanghai Jingmao Yue Real Estate Co., Ltd.	*Note 2*	232,311	232	–	–
Changsha Zhicheng Real Estate Co., Ltd.	*Note 2*	211,014	1,055	112,167	349
Beijing Liuzhuang Real Estate Co., Ltd.	*Note 2*	209,663	210	311,282	311
Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	*Note 2*	209,261	209	206,228	206
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.		201,536	990	18	5
Nanjing Jingsheng Real Estate Development Co., Ltd.	*Note 2*	189,439	189	818	1
Deqing Jingsheng Real Estate Development Co., Ltd.	*Note 2*	188,264	188	278,714	279
Chengdu Yueran Real Estate Co., Ltd.	*Note 2*	181,533	182	464,849	465
Taiyuan Airport Hub Real Estate Co., Ltd.	*Note 2*	145,523	7,311	386,109	2,867
Guangxi Yujin Investment Development Co., Ltd.	*Note 2*	137,840	136	152,142	761
Sanya Zhongcheng Real Estate Co., Ltd.	*Note 2*	133,588	24,041	126,487	16,521
Chongqing Jianlian New Real Estate Development Co., Ltd.	*Note 2*	132,000	132	132,013	132
Suzhou Ruihua Real Estate Co., Ltd.	*Note 2*	124,556	125	121,981	122
Guangzhou Tieyue Real Estate Development Co., Ltd.	*Note 2*	124,381	124	–	–
Beijing Xinda Real Estate Co., Ltd.	*Note 2*	114,996	76,484	113,246	76,484
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.		106,521	3,654	114,473	572
Jingxing County Runlian Agricultural Development Co., Ltd.		105,910	106	–	–
Shanghai Wanjinglong Real Estate Co., Ltd.	*Note 2*	–	–	1,082,998	1,083
Total		23,694,325	1,632,925	21,006,199	1,142,179
Long-term receivables					
Guangzhou Nansha Hengcheng Real Estate Co., Ltd.	*Note 2*	1,996,769	1,997	2,391,047	2,391
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.		757,722	3,789	140,104	701
Chengdu Tiecheng Real Estate Co., Ltd.	*Note 2*	689,065	689	689,065	689

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (Continued)					
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	*Note 2*	**665,736**	**430,768**	745,411	430,829
CRCC Investment Jizhong Development and Construction Co., Ltd.		**537,391**	**2,687**	977,308	5,357
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.		**488,836**	**2,465**	438,948	2,287
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.		**477,192**	**2,406**	302,376	1,528
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.		**460,200**	**2,294**	374,617	1,873
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.		**428,969**	**3,332**	–	–
Yuxi China Railway Infrastructure Construction Co., Ltd.		**396,964**	**2,048**	409,681	2,048
Dong'e Huicheng Investment Development and Construction Co., Ltd.		**354,788**	**1,775**	272,127	1,362
Jianghua Fengcheng Construction Investment Co., Ltd.		**333,005**	**1,030**	9,382	–
Hohhot Metro Line 2 Construction & Management Co., Ltd.		**329,180**	**45,770**	537,662	45,770
CRCC Sichuan Dedu Highway Co., Ltd.		**289,945**	**1,599**	319,892	1,599
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.		**288,699**	**1,443**	–	–
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.		**280,282**	**1,248**	250,149	1,248
CRCC Investment Baoding Urban Development and Construction Co., Ltd.		**272,055**	**1,360**	641,070	3,634
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.		**267,963**	**1,342**	179,842	899
Jiangsu Yinbao Gangkai Construction Co., Ltd.		**257,798**	**1,289**	299,857	1,499
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.		**253,119**	**1,271**	123,937	620
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.		**231,299**	**231**	217,478	1,087
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		**222,431**	**1,112**	–	–
CRCC East China (Cixi) Construction Co., Ltd.		**192,433**	**192**	82,408	194

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024		31 December 2023	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
CRCC Investment Langfang Development and Construction Co., Ltd.		191,308	957	157,718	789
Long-term receivables (Continued)					
Changsha Zhicheng Real Estate Co., Ltd.	*Note 2*	189,591	2,708	83,978	840
Shanghai Gangheng Real Estate Co., Ltd.	*Note 2*	168,484	842	168,484	842
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.		165,380	831	80,676	420
Taiyuan Airport Hub Real Estate Co., Ltd.	*Note 2*	161,534	428	136,836	419
China Railway Construction & Investment Xi'an City Development Co., Ltd.		158,380	7,919	27,117	1,661
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.		135,686	678	77,270	386
Huayuan County Shiba Cave Zixia Lake Beauty Comprehensive Development Co., Ltd.		113,487	575	–	–
Wantong Intercity Railway Co., Ltd.		103,852	643	152,834	894
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.		36,707	1,291	480,000	2,400
Sichuan Jinsuiyuan Construction Development Co., Ltd.		30,021	150	272,189	1,426
Tianjin Bincheng Meihaoshenghuo Co., Ltd.		–	–	306,882	1,534
Total		11,926,271	529,159	11,346,345	517,226
Debt investments					
Hengda Real Estate (Shenzhen) Co., Ltd.		2,927,357	2,927,357	2,927,357	1,706,991
CRCC Ningxia Ningdong Road and Bridge Investment Development Co., Ltd.		880,238	107,069	517,478	76,930
Yunnan Gangcheng Infrastructure Construction Co., Ltd.		524,058	524	524,058	524
Liaocheng Xurui Municipal Engineering Co., Ltd.		258,634	1,293	551,580	2,758
CRCC-Tongguan Investment Co., Ltd.		–	–	363,980	364
Total		4,590,287	3,036,243	4,884,453	1,787,567

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024	31 December 2023
Bills payable			
Xuzhou Jiaokong Supply Chain Co., Ltd.	*Note 1*	**60,000**	54,534
Zhuhai Jiaojian Engineering Co., Ltd.		**10,583**	10,000
Gansu Tietou Materials Co., Ltd.		**5,000**	45,000
Hubei Lvchuang Construction Co., Ltd.		**2,000**	–
CRCC Financial Leasing Co., Ltd.		**–**	56,862
Total		**77,583**	166,396
Trade payables	*Note 1*		
CRCC Financial Leasing Co., Ltd.		**402,362**	71,377
Xuzhou Jiaokong Supply Chain Co., Ltd.		**320,114**	145,665
Shandong High-speed Railway Construction Equipment Co., Ltd.		**136,728**	20,996
Ningxia Guoyun Railway Construction High-tech Materials Technology Co., Ltd.		**136,460**	72,168
Gansu Tietou Materials Co., Ltd.		**102,274**	99,006
Guangxi Urban Rail Engineering Construction Co., Ltd.		**78,596**	3,685
Jinan Rail China Railway Segment Manufacturing Co., Ltd.		**77,434**	141,016
Nanchang Railway Building Materials Co., Ltd.		**59,765**	24,276
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.		**51,374**	62,603
CRCC (Wuxi) Engineering Technology Development Co., Ltd.		**30,757**	26,521
WuHan LvYin Landscape Engineering Co., Ltd.		**30,276**	26,612
Hebei China Railway Cangyan Construction Technology Co., Ltd.		**26,798**	36,692
Total		**1,452,938**	730,617

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024	31 December 2023
Contract liabilities	*Note 4*		
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.		**456,948**	468,458
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.		**184,446**	26,063
Sichuan Nansuitong Expressway Co., Ltd		**157,964**	383,089
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.		**121,172**	–
Guigang Hesi Quanyu Tourism Development Co., Ltd.		**95,000**	95,000
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.		**68,261**	30,967
Chongqing Tiefa Jianxin Highway Co., Ltd.		**65,493**	–
Sichuan Jintou Project Investment Co., Ltd.		**65,370**	40,985
Hainan Jinfa Railway Construction Port Construction Co., Ltd.		**65,192**	–
Tongling Guanghe High-Tech Energy Technology Co., Ltd.		**62,993**	43,151
Yongzhou Railway Co., Ltd.		**52,196**	–
Chongqing Chengyu Dianfengwu Expressway Co., Ltd.		**45,923**	–
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.		**39,335**	–
Tianjin Line 1 Rail Transit Operation Co., Ltd.		**34,567**	2,425
Tianjin Bincheng Meihaoshenghuo Co., Ltd.		**30,233**	5,056
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.		**19,581**	154,420
China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.		**3,750**	83,479
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.		**–**	75,470
Foshan Road and Bridge Prefabricated Components Co., Ltd.		**–**	63,645
Guigang Western Outer Ring Road Highway Co., Ltd.		**–**	188,896
Total		**1,568,424**	1,661,104

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024	31 December 2023
Other payables	*Note 1*		
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.		**2,378,696**	492,379
CRCC Xinjiang Jingxin Expressway Co., Ltd.		**2,322,963**	13,950
Shanghai Wanjinglong Real Estate Co., Ltd.		**1,511,648**	–
Guiyang Changda Rail Transit Construction Co. Ltd.		**1,087,294**	9,294
Yunnan Kunchu Highway Investment & Development Co., Ltd.		**934,366**	336,312
Shanghai Xinjinghui Real Estate Development Co., Ltd.		**721,178**	803,516
Shanghai Jingmiaoxin Real Estate Co., Ltd.		**709,885**	718,274
Chongqing Tiefa Jianxin Highway Co., Ltd.		**701,857**	324,262
Chongqing Tiefa Shuanghe Expressway Co., Ltd.		**620,844**	57,567
Kunming Fuyi Highway Co., Ltd.		**573,474**	164,077
CRCC Dongfang Investment Construction (Cixi) Co., Ltd.		**489,306**	1,280,859
Chongqing High Speed Railway (Chongqing) Commercial Factoring Co., Ltd.		**450,916**	667,315
Ningbo Runsheng Real Estate Development Co., Ltd.		**438,886**	598,201
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.		**410,606**	501,960
CRCC Sichuan Dedu Highway Co., Ltd.		**406,856**	407,217
Shanghai Xinfucheng Real Estate Development Co., Ltd.		**363,564**	253,264
Guizhou Tongxin Expressway Development Co., Ltd.		**304,345**	176,777
Beijing Xintie Xinjian Investment Co., Ltd.		**303,124**	1,231,252
Shanghai Xinruicheng Real Estate Development Co., Ltd.		**296,066**	218,638
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.		**283,077**	254,308
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.		**267,926**	484,470
Kunming Kunlun Shouzhi Real Estate Co., Ltd.		**244,250**	279,250
Sichuan Nansuitong Expressway Co., Ltd		**230,742**	172,457
China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.		**227,790**	258,216
Chengdu Wuhou District Yele Real Estate Development Co., Ltd.		**221,076**	271,076
Chongqing Yusui Fuxian Highway Co., Ltd.		**217,270**	74,309

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024	31 December 2023
Other payables(Continued)	*Note 1*		
CRCC Investment Baoding Urban Development and Construction Co., Ltd.		**216,288**	2,184
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.		**214,466**	151,772
Shanghai Hongjun Real Estate Development Co., Ltd.		**199,920**	143,820
Nanjing Jingsheng Real Estate Development Co., Ltd.		**190,024**	240,177
Kunming Sanqing Highway Co., Ltd.		**167,506**	7,322
Hunan Railway Construction Kunlun Changzhu Guixin Highway Co., Ltd.		**166,261**	126,977
Chongqing Tiefa Xiusong Highway Co., Ltd.		**150,817**	148,213
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.		**149,943**	13,610
Xi'an Kaishengda Real Estate Co., Ltd.		**142,983**	169
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.		**132,565**	1,748
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.		**121,373**	100
Yangzhou Wantou Jade Feature Town Co., Ltd.		**120,406**	2,642
Guangzhou Hongxuan Real Estate Co., Ltd.		**118,489**	118,489
Yunnan Luxun Highway Co., Ltd.		**117,470**	14,867
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.		**100,751**	115,625
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.		**100,153**	26,868
Chengdu Zhongwan Yixing Real Estate Co., Ltd.		**91,359**	219,982
CRCC Gansu Zhangbian Highway Co., Ltd.		**86,822**	237,522
CRCC Hunan Expressway Co., Ltd.		**64,213**	260,766
Yuxi China Railway Infrastructure Construction Co., Ltd.		**50,000**	280,000
Tianjin Line 1 Rail Transit Operation Co., Ltd.		**22,959**	205,862
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.		**11,519**	248,846
CRCC (Shandong) Deshang Highway Co., Ltd.		**652**	220,300
Total		**19,454,944**	12,837,061

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

		31 December 2024	31 December 2023
Advances to suppliers			
CRCC Financial Leasing Co., Ltd.		**66,727**	62,994
Total		**66,727**	62,994
Due to customers	*Note 5*		
CRCC JinLi Asset Management Co., Ltd.		**609,490**	560,642
Beijing Xintie Xinjian Investment Co., Ltd.		**429,923**	179,280
China Railway Construction Corporation		**289,618**	166,979
Hangzhou Jiandejiang Investment Co., Ltd.		**145,717**	51,826
China-Africa Lekkil Investment Co., Ltd.		**141,379**	82,380
Jining China Railway Shengtong Urban Construction and Development Co., Ltd.		**101,919**	–
Taiyuan Existing Residential Energy Conservation Renovation Project Management Co., Ltd.		**81,246**	–
Guangzhou ShengDu Investment Development Co., Ltd.		**58,226**	61,540
Jianyang Railway Construction Hexing Highway Investment Co., Ltd.		**57,021**	424
CRCC Financial Leasing Co., Ltd.		**5,246**	204,035
Total		**1,919,785**	1,307,106
Long-term loans (including current portion)	*Note 6*		
China Railway Construction Corporation		**1,836,876**	1,423,276
Total		**1,836,876**	1,423,276
Lease liabilities (including current portion)			
CRCC Financial Leasing Co., Ltd.		**1,933,068**	1,796,707
CRCC Sichuan Dedu Highway Co., Ltd.		**20,052**	37,001
Total		**1,953,120**	1,833,708

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

X. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

RMB'000

	31 December 2024	31 December 2023
Long-term payables (including current portion)		
Guoshou Tiejian (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	**586,121**	578,311
Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)	**423,498**	440,839
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	**198,593**	345,708
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	**189,520**	374,943
Tianjin Tiejian Yinkun Equity Investment Partnership Enterprise (Limited Partnership)	**104,275**	158,582
CRCC Financial Leasing Co., Ltd.	**42,281**	74,563
Guangde Railway Construction Chuangxin Investment Partnership (Limited Partnership)	**24,178**	137,419
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	**–**	349,362
Total	**1,568,466**	2,459,727

Note 1: The amounts due from/to related parties were interest-free, unsecured, and had no fixed terms of repayment.

Note 2: The amounts due from related parties were loans for cooperative development project from the Group's real estate development operation segments, with the interest rate agreed in the contracts.

Note 3: The amounts due from the Controlling Shareholder and associates were borrowings from CRCC Finance Company Limited.

Note 4: The amounts were mainly advances from related parties and were interest-free.

Note 5: The amounts due to the Group's related parties were deposits in CRCC Finance Company Limited.

Note 6: The amounts were appropriations from the Ministry of Finance to the Controlling Shareholder and considered as the entrusted loans granted to the Group by the Controlling Shareholder. The interest rate of such entrusted loans was determined by the Loan Prime Rate published by National Interbank Funding Center.

XI. COMMITMENTS AND CONTINGENCIES

1. Commitments

RMB'000

	31 December 2024	31 December 2023
Contracted, but not provided for:		
Capital commitments	**2,587,252**	3,806,127
Investment commitments	**53,621,250**	69,708,257
Total	**56,208,502**	73,514,384

2. Contingencies

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

3. Guarantees

The Group had issued guarantees to banks in respect of the banking facilities granted to the following parties:

RMB'000

The Group	31 December 2024	31 December 2023
Associates	**1,569,794**	1,750,507
Other entities	**485,288**	696,030
Total	**2,055,082**	2,446,537

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XI. COMMITMENTS AND CONTINGENCIES (CONTINUED)

3. Guarantees (Continued)

The above guarantees exclude guarantees in respect of the banking facilities other than mortgages. As at 31 December 2024, the Group's guarantees (excluding guarantees in respect of the banking facilities other than mortgages) amounted to RMB2,055,082,000 (31 December 2023: RMB2,446,537,000), the guarantees in respect of mortgages amounted to RMB20,588,858,000 (31 December 2023: RMB29,178,017,000). Until now, the guarantees rarely defaulted payments to the banks, thus the Group considered the risks related to the guarantees were low and the fair value was immaterial.

The above guarantees in respect of mortgages were granted to the purchasers of the Group's properties and secured by the mortgages.

The Company had issued guarantees to banks in respect of the banking facilities granted to the following parties:

RMB'000

The Company	31 December 2024	31 December 2023
Subsidiaries	**7,977,904**	11,710,103
Other entities	**204,691**	405,931
Total	**8,182,595**	12,116,034

In addition, no interest-bearing bank and other loans of the Company were guaranteed by the subsidiaries of the Company as at 31 December 2024 (31 December 2023: Nil).

XII. EVENTS AFTER THE BALANCE SHEET DATE

1. Profit distribution

Pursuant to the resolution approved in the 5th session of the 37th board of directors meeting of the Company held on 27-28 March 2025, the Board of Directors proposed that cash dividends may be distributed to all shareholders by the Company at RMB3.00 per 10 shares (i.e. cash dividend of RMB0.30 per share). The cash dividend of RMB4,073,862,000 is proposed to be distributed based on the issued shares of 13,579,541,500, and the above proposal is yet to be approved by the shareholders' general meeting.

XIII. OTHER SIGNIFICANT EVENTS

1. Segment reporting

Operating segments

For management purposes, the Group is organised into the following five operating segments based on their products and services:

(1) The construction operations segment engages in the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;

(2) The plan, design and consultancy operations segment engages in the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;

(3) The manufacturing operations segment engages in the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;

(4) The real estate development operations segment engages in the development, construction and sale of residential properties and commercial properties; and

(5) The other business operations segment mainly comprises trade and logistics, finance and insurance and highway operation service.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss. The Group does not manage income tax based on operating segments and hence income tax has not been allocated to the operating segments.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

Operating segments (Continued)

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
2024:							
Revenue from external customers	913,107,758	17,944,661	19,185,073	71,890,431	45,043,414	–	1,067,171,337
Inter-segment sales	18,137,706	79,660	4,209,680	–	41,820,684	(64,247,730)	–
Total	931,245,464	18,024,321	23,394,753	71,890,431	86,864,098	(64,247,730)	1,067,171,337
Share of profits/(losses) of joint ventures and associates	33,597	(12,204)	193,944	174,446	(769,937)	–	(380,154)
Impairment of credit losses and impairment losses on assets	(6,327,038)	(106,650)	(10,509)	(2,506,749)	(145,321)	–	(9,096,267)
Depreciation and amortisation	(20,218,788)	(399,225)	(1,019,198)	(243,120)	(1,745,519)	–	(23,625,850)
Profit before tax	22,135,506	3,666,740	2,304,099	1,263,623	2,950,479	154,262	32,474,709
Other disclosures:							
Increase in other non-current assets other than long-term equity investments	31,681,531	619,824	861,056	1,529,241	14,407,931	–	49,099,583
Segment assets *(Note 1)*	1,405,761,006	36,472,462	60,747,733	365,501,730	423,084,312	(428,724,721)	1,862,842,522
Segment liabilities *(Note 2)*	1,130,330,016	10,204,106	31,708,706	294,367,197	364,826,902	(391,191,227)	1,440,245,700
Other disclosures:							
Long-term equity investments in joint ventures and associates	129,653,439	4,627,624	2,206,379	13,017,145	4,479,813	–	153,984,400

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

Operating segments (Continued)

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
2023:							
Revenue from external customers	965,113,809	18,517,503	19,200,261	83,271,759	51,890,154	–	1,137,993,486
Inter-segment sales	22,210,694	236,476	4,799,079	–	43,975,629	(71,221,878)	–
Total	987,324,503	18,753,979	23,999,340	83,271,759	95,865,783	(71,221,878)	1,137,993,486
Share of profits/(losses) of joint ventures and associates	645,829	(459)	251,384	258,361	(590,128)	–	564,987
Impairment of credit losses and impairment losses on assets	(6,812,837)	(460,991)	(210,319)	(2,231,079)	(226,005)	–	(9,941,231)
Depreciation and amortisation	(17,719,957)	(412,263)	(1,435,871)	(297,078)	(1,440,790)	–	(21,305,959)
Profit before tax	26,625,512	3,934,581	2,555,303	3,021,722	2,378,500	312,534	38,828,152
Other disclosures:							
Increase in other non-current assets other than long-term equity investments	27,038,439	789,407	3,645,677	2,569,184	8,068,428	–	42,111,135
Segment assets *(Note 1)*	1,211,379,893	39,089,326	58,104,235	379,148,288	352,244,035	(376,946,199)	1,663,019,578
Segment liabilities *(Note 2)*	954,493,054	14,809,678	30,876,710	311,123,245	297,137,937	(362,540,819)	1,245,899,805
Other disclosures:							
Long-term equity investments in joint ventures and associates	127,280,722	4,494,805	2,153,821	11,313,268	4,035,741	–	149,278,357

Note 1: Segment assets do not include deferred tax assets of RMB12,152,500,000 (31 December 2023: RMB11,211,912,000) and advance payment of corporate income tax of RMB2,398,358,000 (31 December 2023: RMB2,444,248,000), as the Group does not manage these assets based on operating segments. In addition, inter-segment receivables of RMB443,275,579,000 (31 December 2023: RMB390,602,359,000) are eliminated on consolidation.

Note 2: Segment liabilities do not include deferred tax liabilities of RMB1,979,263,000 (31 December 2023: RMB2,008,603,000) and corporate income tax payable of RMB3,671,037,000 (31 December 2023: RMB4,279,976,000) as the Group does not manage these liabilities based on operating segments. In addition, inter-segment payables of RMB396,841,527,000 (31 December 2023: RMB368,829,398,000) are eliminated on consolidation.

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

Group information

Geographical information

Revenue from external customers

RMB'000

	2024	2023
Mainland China	**1,001,272,645**	1,077,683,620
Outside Mainland China	**65,898,692**	60,309,866
Total	**1,067,171,337**	1,137,993,486

Total non-current assets (Note)

RMB'000

	31 December 2024	31 December 2023
Mainland China	**359,626,839**	301,995,741
Outside Mainland China	**15,840,583**	15,507,623
Total	**375,467,422**	317,503,364

In the geographical information above, revenue from external customers is based on the locations of the customers. Non-current asset information above is based on the locations of the non-current assets.

Note: Non-current assets consisted of investment properties, fixed assets, construction in progress, right-of-use assets, intangible assets, development expenditure, long-term prepaid expenses and investments in joint ventures and associates.

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

Group information (Continued)

Information about major customers

The Group did not derive more than 10% of its total revenue from any single customer in 2024 (2023: did not derive more than 10% of its total revenue from any single customer).

2. Other financial information

(i) Pension scheme contributions

RMB'000

Item	2024	2023
Pension scheme contributions (defined contribution plans)	**9,090,646**	8,737,618
Pension scheme costs (defined benefit plans)	**5,766**	3,205

As at 31 December 2024, there were no forfeited contributions available to reduce the Group's contributions to its pension scheme in the next year (31 December 2023: Nil).

(ii) Directors' and supervisors' remuneration

RMB'000

Item	2024	2023
Salaries, housing welfare and other allowances and physical benefits	**1,837**	3,067
Performance bonus	**2,965**	5,303
Defined contribution plan	**652**	1,142
Total	**5,454**	9,512

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

Name and remuneration of independent non-executive directors for the current year are as follows:

RMB'000

Item	2024	2023
Independent Non-executive Directors		
Mr. MA Chuanjing	80	80
Mr. ZHAO Lixin	80	80
Mr. XIE Guoguang	80	80
Mr. TSIN Wai Lun Kenneth	135	127
Total	375	367

The fees of the above independent non-executive directors represent remuneration paid in respect of their services as directors of the Company. There was no other remuneration payable to the independent non-executive directors during the year.

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

Name and remuneration of directors and supervisors for the current year are as follows:

RMB'000

	Salaries, housing welfare and other allowances and physical benefits	Performance Bonus	Defined benefit plan	Total remuneration
2024				
Executive director				
Mr. DAI Hegen *(Note 1)*	340	364	155	859
Mr. WANG Lixin *(Note 2)*	228	536	104	868
Mr. Ni Zhen *(Note 3)*	152	429	82	663
Sub-total	720	1,329	341	2,390
Non-executive director				
Mr. GAO Lieyang *(Note 6)*	–	–	–	–
Sub-total	–	–	–	–
Independent non-executive director				
Mr. MA Chuanjing	60	20	–	80
Mr. ZHAO Lixin	60	20	–	80
Mr. XIE Guoguang	60	20	–	80
Mr. TSIN Wai Lun Kenneth	135	–	–	135
Sub-total	315	60	–	375

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

Name and remuneration of directors and supervisors for the current year are as follows: (Continued)

RMB'000

	Salaries, housing welfare and other allowances and physical benefits	Performance Bonus	Defined benefit plan	Total remuneration
2024 (Continued)				
Supervisor				
Mr. ZHAO Wei	308	525	131	964
Mr. KANG Fuxiang	228	513	85	826
Mr. LIU Zhengchang *(Note 4)*	–	415	–	415
Mr. LIU Xuan *(Note 5)*	266	123	95	484
Sub-total	802	1,576	311	2,689
Total	1,837	2,965	652	5,454

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

RMB'000

	Salaries, housing welfare and other allowances and physical benefits	Performance Bonus	Defined benefit plan	Total remuneration
2023				
Executive director				
Mr. WANG Jianping (board chairman)	342	697	155	1,194
Mr. WANG Lixin (president)	328	638	147	1,113
Mr. ZHUANG Shangbiao (president)	232	576	95	903
Mr. Ni Zhen	315	617	147	1,079
Mr. CHEN Dayang	193	500	78	771
Mr. LIU Ruchen	314	616	150	1,080
Sub-total	1,724	3,644	772	6,140
Non-executive director				
Mr. GAO Lieyang	–	–	–	–
Sub-total	–	–	–	–
Independent non-executive director				
Mr. MA Chuanjing	60	20	–	80
Mr. ZHAO Lixin	60	20	–	80
Mr. XIE Guoguang	60	20	–	80
Mr. TSIN Wai Lun Kenneth	127	–	–	127
Sub-total	307	60	–	367

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

RMB'000

	Salaries, housing welfare and other allowances and physical benefits	Performance Bonus	Defined benefit plan	Total remuneration
2023 (Continued)				
Supervisor				
Mr. ZHAO Wei	324	552	125	1,001
Mr. LIU Zhengchang	368	537	122	1,027
Mr. KANG Fuxiang	344	510	123	977
Sub-total	1,036	1,599	370	3,005
Total	3,067	5,303	1,142	9,512

Note 1: On 30 January 2024, the resolution of the first extraordinary general meeting of shareholders voted to add Mr. DAI Hegen as the Executive Director of the Company.

Note 2: On 7 September 2024, Mr. WANG Lixin, the Executive Director and the President, ceased to hold the positions of the Executive Director, the President, and the Chairman of Strategy and Investment Committee of the Board of Directors of the Company due to job transfer reasons.

Note 3: On 27 July 2024, Mr. Ni Zhen, the Executive Director, ceased to serve as an Executive Director and a member of Nomination Committee of the Board of Directors of the Company due to job transfer reasons.

Note 4: On 21 June 2024, Mr. LIU Zhengchang, the Supervisor Elected by the General Meeting of Shareholders, ceased to serve as the Supervisor Elected by the General Meeting of Shareholders of the Company due to job transfer reasons.

Note 5: On 20 June 2024, the resolution of the general meeting of shareholders for 2023 voted to add Mr. LIU Xuan as the Supervisor Elected by the General Meeting of Shareholders of the Company.

Note 6: The Director, Gao Lieyang, is a full-time external director of the State-owned Assets Supervision and Administration Commission of the State Council and does not receive any compensation from the Company.

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

Top 5 paid employees

The analysis of top 5 paid employees of the Group is as follows:

	2024	2023
Employee that is neither a director nor a supervisor	5	5

Details of remuneration of the above employee that is neither a director nor a supervisor:

RMB'000

	2024	2023
Salaries, housing welfare and other allowances and physical benefits	1,740	3,994
Performance bonus	14,929	14,887
Defined contribution plan	452	725
Total	17,121	19,606

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIII. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' and supervisors' remuneration (Continued)

Top 5 paid employees (Continued)

Number of employees that is neither a director nor a supervisor of the following remuneration ranges is as follows:

Item	2024	2023
HKD3,000,000 to 3,500,000 (including 3,500,000)	2	–
HKD3,500,000 to 4,000,000 (including 4,000,000)	1	1
HKD4,000,000 to 4,500,000 (including 4,500,000)	2	3
HKD4,500,000 to 5,000,000 (including 5,000,000)	–	1
Total	5	5

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Trade receivables

An aging analysis of trade receivables is listed as follows:

RMB'000

Aging	31 December 2024	31 December 2023
Within 1 year	**2,659,327**	2,710,101
1 to 2 years	**245,733**	170,555
2 to 3 years	**–**	3,045
Over 3 years	**3,045**	–
Subtotal	**2,908,105**	2,883,701
Less: Allowance for credit losses	**36,010**	29,640
Total	**2,872,095**	2,854,061

Trade receivables and allowance for credit losses by category are listed as follows:

RMB'000

Category	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage %	Amount	Percentage %	
Allowance for credit losses assessed by credit risk portfolio	**2,908,105**	**100.00**	**36,010**	**1.24**	**2,872,095**
Total	**2,908,105**	**100.00**	**36,010**	**1.24**	**2,872,095**

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS(CONTINUED)

1. Trade receivables(Continued)

RMB'000

	31 December 2023				
	Gross carrying amount		Allowance for credit losses		
Category	Amount	Percentage %	Amount	Percentage %	Carrying amount
Allowance for credit losses assessed by credit risk portfolio	2,883,701	100.00	29,640	1.03	2,854,061
Total	2,883,701	100.00	29,640	1.03	2,854,061

As at 31 December 2024, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

	31 December 2024			
	Gross carrying amount		**Allowance for credit losses**	
Aging	**Amount**	**Percentage** *(%)*	**Amount**	**Percentage** *(%)*
Within 1 year	**2,659,327**	**91.45**	**22,809**	**0.86**
1 to 2 years	**245,733**	**8.45**	**12,136**	**4.94**
Over 3 years	**3,045**	**0.10**	**1,065**	**34.98**
Total	**2,908,105**	**100.00**	**36,010**	**1.24**

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Trade receivables (Continued)

As at 31 December 2024, top five entities with the largest balances of trade receivables and contract assets are listed as follows:

RMB'000

Company name	Closing balance of trade receivables	Closing balance of contract assets	Closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets *(%)*	Closing balance of allowance for credit losses
Company 1	1,089,241	279,186	1,368,427	21.51	13,684
Company 2	416,283	291,426	707,709	11.12	9,523
Company 3	278,181	22,348	300,529	4.72	1,503
Company 4	212,117	20,993	233,110	3.66	1,341
Company 5	370,856	289,055	659,911	10.38	6,599
Total	2,366,678	903,008	3,269,686	51.39	32,650

As at 31 December 2024 and 31 December 2023, no amount due from shareholders that held 5% or more of the Company's voting rights was included in the aforesaid balance of trade receivables.

2. Other receivables

An aging analysis of other receivables is listed as follows:

RMB'000

Aging	31 December 2024	31 December 2023
Within 1 year	15,249,793	17,049,773
1 to 2 years	7,080,384	468,644
2 to 3 years	418,080	277,350
Over 3 years	876,896	1,191,119
Subtotal	23,625,153	18,986,886
Less: Allowance for credit losses	1,430	1,305
Total	23,623,723	18,985,581

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

Provision for allowance for credit losses is as follows:

(1) As at 31 December 2024, the Company did not have other receivables at phase II.

(2) As at 31 December 2024, the Company did not have other receivables at phase III.

In 2024, no other receivables have been written off. (2023: Nil)

As at 31 December 2024, other receivables from the five largest customers are listed as follows:

RMB'000

Company name	Relationship with the Company	Amount	Aging	Percentage of total other receivables *(%)*
Company 1	Subsidiaries	5,000,000	Within 2 years	21.16
Company 2	Subsidiaries	2,698,732	Within 3 years	11.42
Company 3	Subsidiaries	2,334,788	Within 1 year to over 5 years	9.88
Company 4	Subsidiaries	2,053,931	Within 1 year to over 5 years	8.69
Company 5	Subsidiaries	1,853,996	Within 1 year	7.85
Total	–	13,941,447	–	59.00

As at 31 December 2024 and 31 December 2023, no amount due from shareholders that held 5% or more of the Company's voting rights was included in the aforesaid balance of other receivables.

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

RMB'000

Item		31 December 2024	31 December 2023
Equity investment under cost method – Subsidiaries	(i)	**105,332,868**	103,305,853
Total		**105,332,868**	103,305,853

Note: All the long-term equity investments are investments in unlisted companies, except for CRCC High-Tech Equipment Corporation Limited and China Railway Construction Heavy Industry Corporation Limited.

(i) Subsidiaries

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Carrying amount at 31 December 2024	Percentage of the investee's registered capital directly attributable to the Company as at 31 December 2024 *(%)*	Category
China Civil Engineering Construction Corporation	2,946,507	–	–	2,946,507	100.00	Co., Ltd
China Railway 11th Bureau Group Co., Ltd.	1,893,912	–	–	1,893,912	81.62	Co., Ltd
China Railway 12th Bureau Group Co., Ltd.	1,957,277	–	–	1,957,277	100.00	Co., Ltd
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	2,660,480	–	–	2,660,480	100.00	Co., Ltd
China Railway 14th Bureau Group Co., Ltd.	2,130,105	–	–	2,130,105	79.02	Co., Ltd
China Railway 15th Bureau Group Co., Ltd.	1,585,152	–	–	1,585,152	100.00	Co., Ltd
China Railway 16th Bureau Group Co., Ltd.	1,482,412	1,783,700	–	3,266,112	100.00	Co., Ltd
China Railway 17th Bureau Group Co., Ltd.	1,735,340	–	–	1,735,340	100.00	Co., Ltd
China Railway 18th Bureau Group Co., Ltd.	1,103,234	–	–	1,103,234	80.30	Co., Ltd

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(i) Subsidiaries (Continued)

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Carrying amount at 31 December 2024	Percentage of the investee's registered capital directly attributable to the Company as at 31 December 2024 *(%)*	Category
China Railway 19th Bureau Group Co., Ltd.	3,954,638	–	–	3,954,638	100.00	Co., Ltd
China Railway 20th Bureau Group Co., Ltd.	1,615,144	–	–	1,615,144	70.41	Co., Ltd
China Railway 21st Bureau Group Co., Ltd.	1,557,251	–	–	1,557,251	100.00	Co., Ltd
China Railway 22nd Bureau Group Co., Ltd.	1,295,286	–	–	1,295,286	100.00	Co., Ltd
China Railway 23rd Bureau Group Co., Ltd.	1,545,004	–	–	1,545,004	100.00	Co., Ltd
China Railway 24th Bureau Group Co., Ltd.	1,346,917	–	–	1,346,917	100.00	Co., Ltd
China Railway 25th Bureau Group Co., Ltd.	1,348,597	–	–	1,348,597	100.00	Co., Ltd
China Railway Construction Group Co., Ltd.	2,868,346	–	–	2,868,346	85.64	Co., Ltd
China Railway Construction Electrification Bureau Group Co., Ltd.	1,105,530	–	–	1,105,530	100.00	Co., Ltd
China Railway Construction Real Estate Group Co., Ltd. *(Note 1)*	7,233,191	9,554	–	7,242,745	100.00	Co., Ltd
China Railway First Survey and Design Institute Group Co., Ltd.	653,730	40,000	–	693,730	100.00	Co., Ltd
China Railway Siyuan Survey and Design Group Co., Ltd.	1,607,809	140,000	–	1,747,809	100.00	Co., Ltd
China Railway Fifth Survey and Design Institute Group Co., Ltd.	338,196	–	–	338,196	100.00	Co., Ltd
China Railway Shanghai Design Institute Group Co., Ltd.	267,624	–	–	267,624	100.00	Co., Ltd
China Railway Material Group Co., Ltd. *(Note 1)*	3,407,584	66,453	–	3,474,037	100.00	Co., Ltd
CRCC High-Tech Equipment Corporation Limited	1,714,797	–	–	1,714,797	63.70	Corporation Limited

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(i) Subsidiaries (Continued)

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the year: Transfer to/ Increase in investment	Changes for the year: Decrease in investment	Carrying amount at 31 December 2024	Percentage of the investee's registered capital directly attributable to the Company as at 31 December 2024 *(%)*	Category
China Railway Construction Heavy Industry Corporation Limited	4,028,004	–	–	4,028,004	71.93	Corporation Limited
China Railway Construction Business Management Co., Ltd. *(Note 1)*	28,313	–	12,692	15,621	100.00	Co., Ltd
China Railway Construction Investment Group Co., Ltd.	10,538,793	–	–	10,538,793	87.34	Co., Ltd
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd.	1,385,891	–	–	1,385,891	100.00	Co., Ltd
CRCC Finance Company Limited	8,460,000	–	–	8,460,000	94.00	Co., Ltd
China Railway Construction Corporation (International) Limited	3,012,602	–	–	3,012,602	100.00	Co., Ltd
China Railway Urban Construction Group Co., Ltd.	2,000,000	–	–	2,000,000	71.69	Co., Ltd
Beijing CRCC Tianrui Machinery Equipment Co., Ltd.	2,000,000	–	–	2,000,000	98.04	Co., Ltd
CRCC Kunlun Investment Group Co., Ltd.	3,600,000	–	–	3,600,000	70.77	Co., Ltd
China Railway Construction Xiong'an Investment Development Co., Ltd.	1,000,000	–	–	1,000,000	100.00	Co., Ltd
China Railway Construction Transportation Operation Group Co., Ltd.	1,000,000	–	–	1,000,000	100.00	Co., Ltd
CRCC Southern Construction and Investment Co., Ltd.	1,000,000	–	–	1,000,000	100.00	Co., Ltd
CRCC South China Investment Co., Ltd.	435,442	–	–	435,442	100.00	Co., Ltd
China Railway Construction South China Construction Co., Ltd.	1,000,000	–	–	1,000,000	100.00	Co., Ltd

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(i) Subsidiaries (Continued)

RMB'000

Investee	Carrying amount at 31 December 2023	Changes for the year		Carrying amount at 31 December 2024	Percentage of the investee's registered capital directly attributable to the Company as at 31 December 2024 *(%)*	Category
		Transfer to/ Increase in investment	Decrease in investment			
China Railway Construction Northwest Investment & Construction Co., Ltd.	1,000,000	–	–	1,000,000	100.00	Co., Ltd
China Railway Construction City Construction Investment Co., Ltd.	2,000,000	–	–	2,000,000	100.00	Co., Ltd
China Railway Construction Eastern China Investment & Construction Co., Ltd.	2,000,000	–	–	2,000,000	100.00	Co., Ltd
CRCC International Investment Co., Ltd.	3,000,000	–	–	3,000,000	100.00	Co., Ltd
CRCC Development Group Co., Ltd.	1,498,690	–	–	1,498,690	100.00	Co., Ltd
CRCC North Investment & Construction Co., Ltd.	200,000	–	–	200,000	100.00	Co., Ltd
CRCC Yellow River Investment & Construction Co., Ltd.	1,110,000	–	–	1,110,000	100.00	Co., Ltd
CRCC Capital Holdings Group Co., Ltd.	3,549,871	–	–	3,549,871	100.00	Co., Ltd
China Railway Construction Treasury Management (Hong Kong) Co., Ltd	4,184	–	–	4,184	100.00	Co., Ltd
China Railway Construction Southwest Investment Co., Ltd.	100,000	–	–	100,000	100.00	Co., Ltd
Total	103,305,853	2,039,707	12,692	105,332,868	–	–

Note 1: In 2024, the Company transferred the 100% equity interest in Beijing Tiejian Property Management Co., Ltd. held by China Railway Construction Business Management Co., Ltd. to China Railway Construction Real Estate Group Co., Ltd. with its net book value of RMB9,554,000 as capital contribution, and the 100% equity interest in China Railway International Aviation Services Co., Ltd. held by China Railway Construction Business Management Co., Ltd. to China Railway Material Group Co., Ltd. with its net book value of RMB52,413,000 as capital contribution.

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Other payables

Other payables are disclosed by category:

RMB'000

Item	31 December 2024	31 December 2023
Payables for advances	**6,159,032**	10,596,191
Centralised funds payable	**2,723,085**	2,777,363
Dividends payable	**473,628**	453,598
Guarantees and deposits	**78,511**	86,212
Others	**746,273**	514,004
Total	**10,180,529**	14,427,368

5. Long-term loans

RMB'000

Item	31 December 2024	31 December 2023
Credit loans	**3,710,074**	3,734,276
Total	**3,710,074**	3,734,276

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

5. Long-term loans (Continued)

The maturity profile of the long-term loans as at the balance sheet date is listed as follows:

RMB'000

Item	31 December 2024	31 December 2023
Within one year or paid on demand	**757,802**	406,000
In the second year (inclusive)	**1,722,074**	1,189,276
In the third year (inclusive)	**659,600**	1,290,600
Over three years	**1,328,400**	1,254,400
Total	**4,467,876**	4,140,276

6. Revenue and cost of sales

Revenue is presented as follows:

RMB'000

Item	2024	2023
Revenue from principal operations	**8,639,299**	11,034,155
Other operating revenue	**773,815**	628,976
Total	**9,413,114**	11,663,131

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Revenue and cost of sales (Continued)

Operating cost is presented as follows:

RMB'000

Item	2024	2023
Operating cost	**8,439,019**	11,111,331

7. Finance costs

RMB'000

Item	2024	2023
Interest expenses	**575,551**	633,119
Less: Interest income	**2,812,625**	2,903,756
Exchange losses (gains)	**27,470**	(20,536)
Bank charges and others	**4,068**	5,492
Total	**(2,205,536)**	(2,285,681)

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

8. Investment income

RMB'000

Item	2024	2023
Investment income received from long-term equity investments under cost method	**11,774,481**	10,156,089
Others	**15,559**	15,360
Total	**11,790,040**	10,171,449

For the year ended 31 December 2024, the investment income mentioned above was composed of investment income of RMB389,870,000 (2023: RMB438,537,000) from listed companies and RMB11,400,170,000 from unlisted companies (2023: RMB9,732,912,000).

As at 31 December 2024, the remittance of the Company's investment income was not subject to significant restriction.

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

RMB'000

Item	2024	2023
Reconciliation of net profit to cash flows from operating activities:		
Net profit	**13,788,371**	11,679,665
Plus: Impairment of credit losses	**7,484**	17,715
Impairment losses/(gains) on assets	**5,592**	(9,584)
Depreciation of fixed assets	**35,159**	17,345
Amortisation of intangible assets	**26,065**	22,844
Amortisation of long-term prepayments	**2,286**	2,233
Depreciation of right-of-use assets	**3,791**	32,215
Losses on retirement of fixes assets	**783**	247
(Gains)/losses from changes in fair value	**(2,986)**	7,672
Finance costs	**552,472**	558,771
Investment income	**(11,790,040)**	(10,171,449)
Decrease in deferred tax assets	**–**	303
Decrease in deferred tax liabilities	**(6,341)**	(7,292)
Decrease in inventories	**2,758**	625
Decrease in contract assets	**77,130**	924,001
(Increase)/decrease in operating receivables	**(10,781,022)**	3,413,631
Decrease in operating payables	**(3,037,384)**	(71,544)
Net cash flows (used in)/generated from operating activities	**(11,115,882)**	6,417,398

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the statement of cash flows (Continued)

(2) Cash and cash equivalents

RMB'000

Item	31 December 2024	31 December 2023
Cash	**21,980,426**	20,064,143
Including: Cash with banks/financial institutions without restrictions	**21,980,426**	20,064,143
Closing balance of cash and cash equivalents	**21,980,426**	20,064,143

10. Related party transactions

(1) Significant transactions between the Company and its related parties

RMB'000

Item	2024	2023
(1) Revenue from other related party transactions		
Subsidiaries	**3,534,476**	3,466,170
Other related parties	**187,634**	107,790
Total	**3,722,110**	3,573,960
(2) Purchase of goods and receipt of services		
Subsidiaries	**8,140,008**	10,967,730
Total	**8,140,008**	10,967,730
(3) Other expenses		
Subsidiaries	**500,262**	446,906
Other related parties	**43,240**	40,173
Total	**543,502**	487,079

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party transactions (Continued)

(2) Balance due to/from related parties

RMB'000

Item	31 December 2024 Gross carrying amount	31 December 2024 Credit loss allowance	31 December 2023 Gross carrying amount	31 December 2023 Credit loss allowance
Trade receivables				
Other related parties	**14,804**	**1,279**	63,544	2,369
Total	**14,804**	**1,279**	63,544	2,369
Other receivables				
Subsidiaries	**14,962,478**	**–**	13,953,132	–
Total	**14,962,478**	**–**	13,953,132	–
Advances to suppliers				
Subsidiaries	**371,076**	**–**	399,824	–
Total	**371,076**	**–**	399,824	–
Cash and bank balances				
Subsidiaries	**15,861,924**	**–**	14,574,087	–
Total	**15,861,924**	**–**	14,574,087	–
Long-term receivables				
Subsidiaries	**50,171,953**	**–**	39,754,253	–
Other related parties	**822,846**		465,419	
Total	**50,994,799**	**–**	40,219,672	–
Current portion of non-current assets				
Subsidiaries	**10,321,300**	**–**	10,800,000	–
Total	**10,321,300**	**–**	10,800,000	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2024

XIV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party transactions (Continued)

(2) Balance due to/from related parties (Continued)

RMB'000

Item	31 December 2024	31 December 2023
Trade payables		
Subsidiaries	**7,358,622**	9,318,051
Total	**7,358,622**	9,318,051
Other payables		
Subsidiaries	**9,446,933**	13,358,158
Other related parties	**133**	55,680
Total	**9,447,066**	13,413,838
Long-term loans		
Other related parties	**1,165,074**	1,103,276
Total	**1,165,074**	1,103,276
Current portion of non-current liabilities		
Subsidiaries	**60,286**	127,050
Other related parties	**671,802**	320,000
Total	**732,088**	447,050
Long-term payables (including current portion)		
Subsidiaries	**7,168,294**	2,984,682
Total	**7,168,294**	2,984,682

Section IX Financial Report

Auditor's Report

Ernst & Young Hua Ming [2026] Shen Zi No. 70629682_A01

China Railway Construction Corporation Limited

To all shareholders of China Railway Construction Corporation Limited

(I) OPINION

We have audited the financial statements of China Railway Construction Corporation Limited (the "**Company**"), which comprise the consolidated and company statements of financial position as at 31 December 2025, and the consolidated and company statements of profit or loss and other comprehensive income, the consolidated and company statements of changes in equity and the consolidated and company statements of cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Company's financial position as at 31 December 2025, and the consolidated and the Company's financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises ("**ASBEs**").

(II) BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing ("**CSAs**"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with China Independence Standard No. 1 – Independence Requirements for Financial Statement Audit and Review Engagements and China Code of Ethics for Certified Public Accountants (the "**Code**"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(III) KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Section IX Financial Reportt (continued)
Auditor's Report (continued)

(III) KEY AUDIT MATTERS (Continued)

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters:	**How our audit addressed the key audit matter:**
Revenue recognition from construction contracts	
The revenue of the Company is mainly derived from construction contracts and recognised based on the performance progress over the periods of the contracts. Depending on the nature of construction projects, determined by input method, the performance progress is measured by reference to the percentage of the actual contract costs incurred to the total budgeted costs. Management of the Company estimates the revenue and budgeted costs at the inception of each contract. Management shall continuously review and revise financial impacts arising from the changes in the estimated total revenue and budgeted costs based on factors such as scope changes and cost to completion throughout the contract period. Estimates in respect of revenue, budgeted costs and the progress of related construction services involve management's use of significant estimates and judgements, and have significant impact on the financial statements. Therefore, we identified the revenue recognition from construction contracts as a key audit matter. The accounting policies and disclosures are included in Note III.25, Note III.34 and Note V.49 to the financial statements.	We obtained an understanding of, tested and evaluated the relevant controls over revenue recognition from construction contracts, including the key internal control of preparation of budget of the total contract revenue and total contract cost, the determination of performance progress, and the calculation of revenue according to the performance progress. We obtained the list of construction contracts from management, and performed the following procedures on a sample basis: • Reviewing the key contract terms and the management's budget of the total contract revenue and total contract cost, including supporting documents such as changes on budgeted costs, variation orders made to the original contracts and claims and incentives, and evaluating the appropriateness of management's estimation basis of revenue and budgeted costs; • Testing the accuracy of actual costs incurred during the year by reviewing supporting documents and assessing whether the actual costs were recorded in the appropriate accounting period; • Recalculating performance progress based on contract costs of incurred and total projected costs of contracts, recalculating the accuracy of revenue recognised for the current period based on projected total revenue and performance progress, and performing analytical procedures on gross margins; and • Visiting a sample of sites of construction projects to observe the progress, discussing with the site project management, comparing the performance progress with ledger records, and evaluating the reasonableness of the performance progress of the construction projects. Meanwhile, we evaluated the adequacy of disclosure of revenue recognition from construction contracts.

(III) KEY AUDIT MATTERS (Continued)

Key audit matters:	How our audit addressed the key audit matter:
Impairment allowance of trade receivables and contract assets	
The impairment allowance of trade receivables, and contract assets was recognised based on expected credit losses (ECLs). Management determined the ECLs based on reasonable and supportable information on past events, current conditions and forecasts of future economic conditions etc., which involved significant management's judgements and estimates. The balances of the Company's trade receivables and contract assets were significant, and their recoverability had a significant impact on the financial statements. Therefore, we identified the impairment allowance of trade receivables and contract assets as a key audit matter. The accounting policies and disclosures are included in Notes III.10, III. 34, V.4, V.9 and V.26 to the financial statements.	We obtained an understanding of, tested and evaluated the relevant controls over the impairment provision process for trade receivables and contract assets; For trade receivables and contract assets individually assessed for ECLs, we checked the supporting documents to assess the customers' payment ability and the historical settlement of the contract assets on a sample basis. Considering the customers' financial and credit status, project progress, historical payment record and forecast of future economic status, we evaluated the reasonbleness and sufficiency of the management's provision of ECLs; For trade receivables and contract assets for which management assesses the ECLs collectively by reference to the credit risk characteristics based on the historical payment, settlement and ageing profile, combined with the current condition and forward-looking adjustments, we evaluated the reasonableness of classification of credit risk groups, whether individual provisions have been made for counterparties whose credit risk characteristics significantly differ from others within the same group, and whether the estimated expected credit loss rates for different groups are reasonable. On a sample basis, we assessed the accuracy of the credit risk classification and ageing profiles of trade receivables and contract assets, and recalculated the provision of ECLs; We checked the subsequent receipts of trade receivables and the subsequent settlements of contract assets on a sample basis; and Meanwhile, we also evaluated the adequacy of disclosure of impairment of trade receivables and contract assets.

Section IX Financial Reportt (continued)
Auditor's Report (continued)

(IV) OTHER INFORMATION

Management of the Company is responsible for other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our audit opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

(V) RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management of the Company is responsible for the preparation of the financial statements that give a true and fair view in accordance with in accordance with ASBEs, and for designing, implementing and maintaining such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

(VI) AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Section IX Financial Reportt (continued)
Auditor's Report (continued)

(VI) AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (Continued)

(6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with the governance all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young Hua Ming LLP
Beijing, the People's Republic of China

Chinese Certified Public Accountant: Shujuan Yang

Chinese Certified Public Accountant: Baiyi Chen

30 March 2026

Consolidated Statement of Financial Position

As at 31 December 2025

RMB'000

ASSETS	*Note V*	31 December 2025	31 December 2024
Current assets			
Cash and bank balances	1	**191,922,113**	185,703,115
Held-for-trading financial assets	2	**1,006,287**	1,533,116
Bills receivable	3	**2,829,089**	3,225,444
Trade receivables	4	**241,023,952**	204,759,238
Receivables at fair value through other comprehensive income	5	**1,129,124**	1,644,048
Advances to suppliers	6	**24,114,586**	23,110,034
Other receivables	7	**69,962,041**	65,825,415
Inventories	8	**265,926,559**	286,116,358
Contract assets	9	**374,351,764**	304,749,626
Current portion of non-current assets	10	**35,879,799**	32,284,851
Other current assets	11	**36,536,468**	35,023,530
Total current assets		**1,244,681,782**	1,143,974,775
Non-current assets			
Loans and advances to customers	12	**1,404,711**	1,140,201
Debt investments	13	**3,245,926**	3,881,575
Other debt investments	14	**3,580,132**	–
Long-term receivables	15	**163,638,942**	142,506,358
Long-term equity investments	16	**149,283,280**	153,984,400
Other equity instrument investments	17	**14,084,269**	13,167,797
Other non-current financial assets	18	**12,829,724**	11,376,122
Investment properties	19	**16,643,139**	15,981,833
Fixed assets	20	**72,919,328**	73,028,467
Construction in progress	21	**9,027,327**	6,812,863
Right-of-use assets	22	**10,593,356**	7,504,478
Intangible assets	23	**170,227,982**	117,002,389
Development expenditure		**45,902**	49,027
Goodwill	24	**49,762**	49,762
Long-term prepayments		**1,124,073**	1,103,965
Deferred tax assets	25	**13,628,948**	12,152,500
Other non-current assets	26	**196,816,626**	159,126,010
Total non-current assets		**839,143,427**	718,867,747
TOTAL ASSETS		**2,083,825,209**	1,862,842,522

The accompanying notes form part of the financial statements.

Consolidated Statement of Financial Position (continued)

As at 31 December 2025

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	31 December 2025	31 December 2024
Current liabilities			
Short-term loans	28	**168,869,472**	150,142,693
Due to customers	29	**1,872,095**	2,051,298
Bills payable	30	**37,124,169**	41,316,625
Trade payables	31	**591,387,684**	512,813,640
Advances from customers		**479,084**	372,439
Contract liabilities	32	**121,005,490**	141,649,350
Employee benefits payable	33	**17,166,652**	16,048,846
Taxes payable	34	**8,131,350**	8,138,705
Other payables	35	**124,655,919**	120,304,020
Current portion of non-current liabilities	36	**87,742,018**	76,507,103
Other current liabilities	37	**52,932,036**	43,409,640
Total current liabilities		**1,211,365,969**	1,112,754,359
Non-current liabilities			
Long-term loans	38	**335,750,413**	235,062,620
Bonds payable	39	**39,335,327**	32,720,483
Lease liabilities	40	**6,121,161**	4,197,035
Long-term payables	41	**58,165,756**	49,835,673
Long-term employee benefits payable		**46,746**	53,619
Provisions		**2,324,495**	1,628,540
Deferred income		**1,208,861**	1,130,936
Deferred tax liabilities	25	**1,632,453**	1,979,263
Other non-current liabilities		**919,173**	883,172
Total non-current liabilities		**445,504,385**	327,491,341
Total liabilities		**1,656,870,354**	1,440,245,700

The accompanying notes form part of the financial statements.

Consolidated Statement of Financial Position (continued)

As at 31 December 2025

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	31 December 2025	31 December 2024
Shareholders' equity			
Share capital	42	**13,579,542**	13,579,542
Other equity instruments	43	**66,120,975**	64,167,509
Capital reserve	44	**46,116,801**	47,964,063
Other comprehensive income	45	**(1,308,742)**	(1,305,778)
Special reserve	46	**–**	–
Surplus reserve	47	**6,789,771**	6,789,771
Retained earnings	48	**208,988,093**	197,055,973
Total equity attributable to owners of the Company		**340,286,440**	328,251,080
Non-controlling interests		**86,668,415**	94,345,742
Total shareholders' equity		**426,954,855**	422,596,822
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,083,825,209**	1,862,842,522

The financial statements have been signed by:

Chairman	*Chief Financial Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

RMB'000

ITEM	*Note V*	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	49	**1,029,784,460**	1,067,171,337
Less: Cost of sales	49	**929,666,968**	957,601,788
Taxes and surcharges	50	**4,034,352**	3,629,371
Selling and distribution expenses	51	**6,411,982**	6,836,126
General and administrative expenses	52	**20,138,345**	22,328,601
Research and development expenses	53	**23,595,966**	25,713,270
Finance costs	54	**10,971,557**	7,946,298
Including: Interest expenses	54	**13,072,638**	9,635,257
Interest income	54	**3,935,705**	3,767,214
Add: Other income	55	**814,830**	741,116
Investment income/(loss)	56	**578,288**	(1,295,737)
Including: Share of loss of associates and joint ventures		**(137,354)**	(380,154)
Losses from derecognition of financial assets measured at amortised cost		**(1,864,596)**	(1,808,684)
Losses on fair value changes		**(1,051,153)**	(1,466,842)
Impairment of credit losses	57	**(5,111,529)**	(6,058,228)
Impairment losses on assets	58	**(3,808,248)**	(3,038,039)
Gains on disposal of assets		**391,079**	285,074
Operating profit		**26,778,557**	32,283,227
Add: Non-operating income	59	**1,012,472**	949,842
Less: Non-operating expenses	60	**858,052**	758,360
Profit before tax		**26,932,977**	32,474,709
Less: Income tax expenses	62	**5,246,132**	5,396,332
Net profit		**21,686,845**	27,078,377
Classified by the continuity of operation			
Net profit from continuing operations		**21,686,845**	27,078,377
Net profit from discontinued operations		**–**	–
Classified by the ownership			
Net profit attributable to owners of the Company		**18,362,618**	22,215,074
Net profit attributable to non-controlling interests		**3,324,227**	4,863,303

Consolidated Statement of Profit or Loss (continued)

For the year ended 31 December 2025

RMB'000

ITEM	*Note V*	For the year ended 31 December 2025	For the year ended 31 December 2024
Other comprehensive income, net of tax	45	**19,285**	(366,853)
Other comprehensive income attributable to owners of the Company, net of tax		**30,179**	(433,061)
Other comprehensive income not to be reclassified to profit or loss		**170,348**	595,455
Changes in fair value of other equity instrument investments		**170,610**	594,560
Others		**(262)**	895
Other comprehensive income to be reclassified to profit or loss		**(140,169)**	(1,028,516)
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		**(171,691)**	61,728
Changes in fair value of receivables at fair value through other comprehensive income		**3,219**	(4,123)
Changes in fair value of other debt investments		**(131,384)**	(6,237)
Exchange differences on translation of foreign operations		**159,687**	(1,079,884)
Other comprehensive income attributable to non-controlling interests, net of tax	45	**(10,894)**	66,208
Total comprehensive income		**21,706,130**	26,711,524
Including:			
Total comprehensive income attributable to owners of the Company		**18,392,797**	21,782,013
Total comprehensive income attributable to non-controlling interests		**3,313,333**	4,929,511
Earnings per share:			
Basic earnings per share *(RMB/share)*	63	**1.18**	1.46
Diluted earnings per share *(RMB/share)*	63	**1.18**	1.46

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

RMB'000

ITEM		For the year ended 31 December 2025									
		Equity attributable to owners of the Company									
		Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I.	**As at 31 December 2024**	13,579,542	64,167,509	47,964,063	(1,305,778)	–	6,789,771	197,055,973	328,251,080	94,345,742	422,596,822
II.	**Increase/(decrease) during the year**	–	1,953,466	(1,847,262)	(2,964)	–	–	11,932,120	12,035,360	(7,677,327)	4,358,033
	(I) Total comprehensive income	–	–	–	30,179	–	–	18,362,618	18,392,797	3,313,333	21,706,130
	(II) Capital contributions and withdrawals by shareholders	–	1,953,466	(1,915,410)	–	–	–	–	38,056	(7,732,180)	(7,694,124)
	1. Capital contributions and withdrawals by shareholders	–	–	(10,416)	–	–	–	–	(10,416)	1,376,246	1,365,830
	2. Capital contributions and withdrawals by other equity instrument holders	–	1,953,466	(9,919)	–	–	–	–	1,943,547	–	1,943,547
	3. Equity transactions with non-controlling interests	–	–	(1,895,075)	–	–	–	–	(1,895,075)	(9,108,426)	(11,003,501)
	(III) Profit distribution	–	–	–	–	–	–	(6,463,641)	(6,463,641)	(3,258,480)	(9,722,121)
	1. Distribution to shareholders *(Note V.48)*	–	–	–	–	–	–	(6,463,641)	(6,463,641)	(3,258,480)	(9,722,121)
	(IV) Special reserve *(Note V.46)*	–	–	–	–	–	–	–	–	–	–
	1. Appropriated during the year	–	–	–	–	17,702,437	–	–	17,702,437	–	17,702,437
	2. Used during the year	–	–	–		(17,702,437)	–	–	(17,702,437)	–	(17,702,437)
	(V) Transfer within equity	–	–	–	(33,143)	–	–	33,143	–	–	–
	1. Other comprehensive income transferring to retained earnings	–	–	–	(33,143)	–	–	33,143	–	–	–
	(VI) Others	-	-	68,148	-	-	-	-	68,148	-	68,148
	1. other	-	-	68,148	-	-	-	-	68,148	-	68,148
III.	**As at 31 December 2025**	13,579,542	66,120,975	46,116,801	(1,308,742)	–	6,789,771	208,988,093	340,286,440	86,668,415	426,954,855

Consolidated Statement of Changes in Equity (continued)

For the year ended 31 December 2025

RMB'000

ITEM	For the year ended 31 December 2024									
	Equity attributable to owners of the Company									
	Share capital	Other equity instruments	Capital reserve	Other Comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I. As at 31 December 2023	13,579,542	59,463,430	48,847,173	(667,494)	–	6,789,771	181,825,095	309,837,517	107,282,256	417,119,773
II. Increase/(decrease) during the year	–	4,704,079	(883,110)	(638,284)	–	–	15,230,878	18,413,563	(12,936,514)	5,477,049
(I) Total comprehensive income	–	–	–	(433,061)	–	–	22,215,074	21,782,013	4,929,511	26,711,524
(II) Capital contributions and withdrawals by shareholders	–	4,704,079	(883,110)	–	–	–	–	3,820,969	(13,821,815)	(10,000,846)
1. Capital contributions and withdrawals by shareholders	–	–	(62,990)	–	–	–	–	(62,990)	(9,019,106)	(9,082,096)
2. Capital contributions and withdrawals by other equity instrument holders	–	4,704,079	(14,924)	–	–	–	–	4,689,155	–	4,689,155
3. Equity transactions with non-controlling interests	–	–	(805,196)	–	–	–	–	(805,196)	(4,802,709)	(5,607,905)
(III) Profit distribution	–	–	–	–	–	–	(7,189,419)	(7,189,419)	(4,044,210)	(11,233,629)
1. Distribution to shareholders	–	–	–	–	–	–	(7,189,419)	(7,189,419)	(4,044,210)	(11,233,629)
(IV) Special reserve	–	–	–	–	–	–	–	–	–	–
1. Appropriated during the year	–	–	–	–	19,385,942	–	–	19,385,942	–	19,385,942
2. Used during the year	–	–	–	–	(19,385,942)	–	–	(19,385,942)	–	(19,385,942)
(V) Transfer within equity	–	–	–	(205,223)	–	–	205,223	–	–	–
1. Other comprehensive income transferring to retained earnings	–	–	–	(205,223)	–	–	205,223	–	–	–
III. As at 31 December 2024	13,579,542	64,167,509	47,964,063	(1,305,778)	–	6,789,771	197,055,973	328,251,080	94,345,742	422,596,822

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

RMB'000

ITEM	*Note V*	For the year ended 31 December 2025	For the year ended 31 December 2024
1. Cash Flows from Operating Activities:			
Cash received from the sale of goods or rendering of services		**1,033,408,661**	1,072,608,268
Refund of tax		**1,455,672**	2,210,408
Net (decrease)/ increase in amounts due to customers and amounts due to banks		**(179,203)**	694,607
Cash received from other operating activities	64	**23,641,496**	15,788,944
Subtotal of cash inflows from operating activities		**1,058,326,626**	1,091,302,227
Cash paid for goods and services		**925,301,718**	987,757,916
Net increase/(decrease) in loans and advances to customers		**270,284**	(556,585)
Net (decrease)/ increase in balances with the central bank		**(248,667)**	784,670
Cash paid to and on behalf of employees		**76,487,795**	80,858,786
Payments of various types of taxes		**25,105,580**	29,333,856
Cash paid for other operating activities	64	**28,452,939**	24,547,416
Subtotal of cash outflows from operating activities		**1,055,369,649**	1,122,726,059
Net cash flows generated from/(used in) operating activities	65	**2,956,977**	(31,423,832)

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2025

RMB'000

ITEM	*Note V*	For the year ended 31 December 2025	For the year ended 31 December 2024
2. Cash Flows from Investing Activities:			
Cash received from disposal of investments		**14,661,653**	15,557,754
Cash received from investment income		**3,352,445**	1,328,498
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**2,692,589**	2,759,801
Cash received from other investing activities		**720,654**	681,737
Subtotal of cash inflows from investing activities		**21,427,341**	20,327,790
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		**47,600,546**	37,948,731
Cash paid for acquisition of investments		**26,037,663**	24,843,108
Net cash paid for acquisition of subsidiaries and other business units		**3,462,272**	1,492,928
Cash paid for other investing activities		**1,287,669**	4,082,559
Subtotal of cash outflows from investing activities		**78,388,150**	68,367,326
Net cash flows used in investing activities		**(56,960,809)**	(48,039,536)

Consolidated Statement of Cash Flows (continued)

For the year ended 31 December 2025

RMB'000

ITEM	Note V	For the year ended 31 December 2025	For the year ended 31 December 2024
3. Cash Flows from Financing Activities:			
Cash received as capital contributions		**32,533,960**	18,547,638
Including: Cash received from non-controlling shareholders of subsidiaries		**7,185,163**	2,058,483
Cash received from issuing bonds		**25,338,262**	18,274,797
Cash received from borrowings		**482,309,635**	465,287,674
Cash received from other financing activities		**453,466**	1,985,696
Subtotal of cash inflows from financing activities		**540,635,323**	504,095,805
Cash repayments for borrowings		**404,803,723**	350,494,642
Cash paid for distribution of dividends or profits and for interest expenses		**30,010,616**	26,228,244
Including: Cash paid to non-controlling shareholders for distribution of dividends and profits by subsidiaries		**3,251,433**	3,905,775
Cash paid for other financing activities	64	**45,990,641**	32,614,658
Subtotal of cash outflows from financing activities		**480,804,980**	409,337,544
Net cash flows generated from financing activities		**59,830,343**	94,758,261
4. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**110,121**	(561,050)
5. NET INCREASE IN CASH AND CASH EQUIVALENTS		**5,936,632**	14,733,843
Add: Cash and cash equivalents at beginning of the year	65	**167,371,620**	152,637,777
6. CASH AND CASH EQUIVALENTS AT END OF THE YEAR	65	**173,308,252**	167,371,620

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

The Company's Statement of Financial Position

As at 31 December 2025

RMB'000

ASSETS	*Note XV*	31 December 2025	31 December 2024
Current assets			
Cash and bank balances		**16,287,333**	21,295,569
Held-for-trading financial assets		**95,062**	66,354
Trade receivables	1	**3,453,057**	2,872,095
Advances to suppliers		**329,175**	551,249
Other receivables	2	**28,886,704**	23,623,723
Contract assets		**555,892**	588,734
Current portion of non-current assets		**11,885,000**	10,452,593
Other current assets		**156,206**	143,782
Total current assets		**61,648,429**	59,594,099
Non-current assets			
Long-term receivables		**46,830,858**	53,648,716
Long-term equity investments	3	**124,940,476**	105,332,868
Other equity instrument investments		**400,355**	408,721
Fixed assets		**521,068**	329,627
Construction in progress		**11,451**	298,706
Right-of-use assets		**1,346**	6,379
Intangible assets		**386,149**	178,554
Long-term prepayments		**1,937**	4,249
Other non-current assets		**2,875,669**	2,842,173
Total non-current assets		**175,969,309**	163,049,993
TOTAL ASSETS		**237,617,738**	222,644,092

The Company's Statement of Financial Position (continued)

As at 31 December 2025

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note XV*	31 December 2025	31 December 2024
Current liabilities			
Short-term loans		1,000,000	2,900,000
Trade payables		8,157,478	7,462,582
Contract liabilities		271,319	703,869
Employee benefits payable		133,808	139,080
Taxes payable		12,850	9,973
Other payables		8,006,363	10,180,529
Current portion of non-current liabilities		1,652,348	888,427
Other current liabilities		6,560,549	504,364
Total current liabilities		25,794,715	22,788,824
Non-current liabilities			
Long-term loans		4,364,342	3,710,074
Bonds payable		5,995,529	5,995,194
Lease liabilities		363	3,799
Long-term payables		11,250,964	7,208,654
Long-term employee benefits payable		2,037	3,454
Deferred tax liabilities		50,578	49,470
Total non-current liabilities		21,663,813	16,970,645
Total liabilities		47,458,528	39,759,469
Shareholders' equity			
Share capital		13,579,542	13,579,542
Other equity instruments		66,120,975	64,167,509
Capital reserve		46,833,113	46,843,032
Other comprehensive income		134,273	140,547
Surplus reserve		6,789,771	6,789,771
Retained earnings		56,701,536	51,364,222
Total shareholders' equity		190,159,210	182,884,623
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		237,617,738	222,644,092

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

The Company's Statement of Profit or Loss

For the year ended 31 December 2025

RMB'000

ITEM	*Note XV*	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	4	**7,211,118**	9,413,114
Less: Cost of sales	4	**6,622,315**	8,439,019
Taxes and surcharges		**4,089**	2,056
Selling and distribution expenses		**71,526**	53,589
General and administrative expenses		**983,024**	1,071,647
Research and development expenses		**1,047**	30,962
Finance costs		**(2,085,035)**	(2,205,536)
Including: Interest expenses		**529,430**	575,551
Interest income		**2,673,294**	2,812,625
Add: Other income		**2,818**	12,363
Investment income	5	**10,200,865**	11,790,040
Gains on fair value changes		**28,708**	2,986
Impairment of credit losses		**(12,600)**	(7,484)
Impairment reversal/(losses) on assets		**480**	(5,592)
Gains on disposal of assets		**109**	–
Operating profit		**11,834,532**	13,813,690
Add: Non-operating income		**172**	3,417
Less: Non-operating expenses		**30,549**	35,077
Profit before tax		**11,804,155**	13,782,030
Less: Income tax expenses		**3,200**	(6,341)
Net profit		**11,800,955**	13,788,371
Classified by the continuity of operation			
Including: Net profit from continuing operations		**11,800,955**	13,788,371
Net profit from discontinued operations		**–**	–
Other comprehensive income, net of tax		**(6,274)**	76,107
Other comprehensive income not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		**(6,274)**	76,107
Total comprehensive income		**11,794,681**	13,864,478

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

The Company's Statement of Changes in Equity

For the year ended 31 December 2025

RMB'000

ITEM	For the year ended 31 December 2025							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2024	13,579,542	64,167,509	46,843,032	140,547	–	6,789,771	51,364,222	182,884,623
II. Increase/(decrease) during the year	–	1,953,466	(9,919)	(6,274)	–	–	5,337,314	7,274,587
(I) Total comprehensive income	–	–	–	(6,274)	–	–	11,800,955	11,794,681
(II) Capital contributions and withdrawals by shareholders	–	1,953,466	(9,919)	–	–	–	–	1,943,547
1. Capital contributions and withdrawals by other equity instrument holders	–	1,953,466	(9,919)	–	–	–	–	1,943,547
(III) Profit distribution	–	–	–	–	–	–	(6,463,641)	(6,463,641)
1. Distribution to shareholders	–	–	–	–	–	–	(6,463,641)	(6,463,641)
(IV) Special reserve	–	–	–	–	–	–	–	–
1. Appropriated during the year	–	–	–	–	142,750	–	–	142,750
2. Used during the year	–	–	–	–	(142,750)	–	–	(142,750)
III. As at 31 December 2025	13,579,542	66,120,975	46,833,113	134,273	–	6,789,771	56,701,536	190,159,210

RMB'000

ITEM	For the year ended 31 December 2024							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2023	13,579,542	59,463,430	46,857,956	64,440	–	6,789,771	44,765,270	171,520,409
II. Increase/(decrease) during the year	–	4,704,079	(14,924)	76,107	–	–	6,598,952	11,364,214
(I) Total comprehensive income	–	–	–	76,107	–	–	13,788,371	13,864,478
(II) Capital contributions and withdrawals by shareholders	–	4,704,079	(14,924)	–	–	–	–	4,689,155
1. Capital contributions and withdrawals by other equity instrument holders	–	4,704,079	(14,924)	–	–	–	–	4,689,155
(III) Profit distribution	–	–	–	–	–	–	(7,189,419)	(7,189,419)
1. Appropriation to statutory surplus reserve	–	–	–	–	–	–	–	–
2. Distribution to shareholders	–	–	–	–	–	–	(7,189,419)	(7,189,419)
(IV) Special reserve	–	–	–	–	–	–	–	–
1. Appropriated during the year	–	–	–	–	183,417	–	–	183,417
2. Used during the year	–	–	–	–	(183,417)	–	–	(183,417)
III. As at 31 December 2024	13,579,542	64,167,509	46,843,032	140,547	–	6,789,771	51,364,222	182,884,623

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

The Company's Statement of Cash Flows

For the year ended 31 December 2025

RMB'000

ITEM		For the year ended 31 December 2025	For the year ended 31 December 2024
1.	**Cash Flows from Operating Activities:**		
	Cash received from the sale of goods or rendering of services	**11,870,407**	10,715,560
	Refund of tax	**2,705**	–
	Cash received from other operating activities	**28,290,072**	13,312,372
	Subtotal of cash inflows from operating activities	**40,163,184**	24,027,932
	Cash paid for goods and services	**11,785,840**	11,021,539
	Cash paid to and on behalf of employees	**465,879**	489,777
	Cash paid for all taxes	**47,907**	60,378
	Cash paid for other operating activities	**22,266,128**	23,572,120
	Subtotal of cash outflows from operating activities	**34,565,754**	35,143,814
	Net cash flows generated from/(used in) from operating activities	**5,597,430**	(11,115,882)
2.	**Cash Flows from Investing Activities:**		
	Cash received from investment income	**7,124,256**	8,438,098
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**–**	16
	Subtotal of cash inflows from investing activities	**7,124,256**	8,438,114
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**156,588**	254,614
	Cash paid for acquisition of investments	**18,182,468**	1,977,740
	Cash paid for other investing activities	**–**	25,950
	Subtotal of cash outflows from investing activities	**18,339,056**	2,258,304
	Net cash flows (used in)/generated from investing activities	**(11,214,800)**	6,179,810

The Company's Statement of Cash Flows (continued)

For the year ended 31 December 2025

RMB'000

ITEM		For the year ended 31 December 2025	For the year ended 31 December 2024
3.	**Cash Flows from Financing Activities:**		
	Cash received as capital contributions	**16,647,000**	16,489,155
	Cash received from borrowings	**18,186,742**	14,253,800
	Cash received from issuing bonds	**–**	5,998,500
	Subtotal of cash inflows from financing activities	**34,833,742**	36,741,455
	Cash repayments for borrowings	**12,820,986**	10,485,681
	Cash paid for distribution of dividends or profits and for interest expenses	**6,914,853**	7,613,344
	Cash paid for other financing activities	**14,704,829**	11,805,868
	Subtotal of cash outflows from financing activities	**34,440,668**	29,904,893
	Net cash flows generated from financing activities	**393,074**	6,836,562
4.	**EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS**	**(55,496)**	15,793
5.	**NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS**	**(5,279,792)**	1,916,283
	Add: Cash and cash equivalents at beginning of the year	**21,980,426**	20,064,143
6.	**CASH AND CASH EQUIVALENTS AT END OF THE YEAR**	**16,700,634**	21,980,426

The financial statements have been signed by:

Chairman	*Chief Finance Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

Notes to the Financial Statements

For the year ended 31 December 2025

I. CORPORATE INFORMATION

China Railway Construction Corporation Limited (the "Company") is a joint stock limited company with limited liability registered in Beijing in the People's Republic of China (the "PRC") on 5 November 2007. The Company's shares have been listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The registered address of the Company's head office is East No. 40 Fuxing Road, Haidian District, Beijing, PRC.

The principal activities of the Company and its subsidiaries (collectively referred to as the "Group") mainly consist of construction operations, plan, design and consultancy operations, trade and logistics, manufacturing operations and real estate development operations.

China Railway Construction Corporation, a company registered in the PRC, is the parent company of the Company and the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC") is the ultimate controlling party of the Company.

These financial statements have been approved and authorised for issue by the board of directors of the Company on 30 March 2026.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of preparation

These financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standard and specific accounting standards, interpretations, other relevant regulations issued subsequently by the Ministry of Finance (the "MOF") (hereinafter collectively referred to as "ASBEs"). In addition, the financial statements also disclose relevant financial information in accordance with the Rules No. 15 for the Preparation of Information Disclosure by Companies Offering Securities to the Public – General Provisions on Financial Reports.

In accordance with the Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong issued by the Hong Kong Stock Exchange in December 2010, the corresponding amendments to the Hong Kong Listing Rules, as well as the relevant documents issued by the Ministry of Finance and China Securities Regulatory Commission ("CSRC"), the Company ceased to provide financial reports prepared in accordance with Accounting Standards for Business Enterprises and International Financial Reporting Standards separately to A-share shareholders and H-share shareholders from the year of 2011 with the approval made in the Company's general meeting of shareholders. Instead, the Company provides all shareholders with financial reports solely prepared in accordance with China Accounting Standards, taking into account the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in preparing such financial reports.

The Group has adopted accrual basis for accounting measurement. The financial statements have been presented under the historical cost, except for certain financial assets which have been measured at fair value. If the assets are impaired, the corresponding provisions for impairment shall be made according to relevant requirements.

2. Going concern

These financial statements have been prepared on a going concern basis.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

According to the characteristics of its production and operation, the Group applied a series of specific accounting policies and accounting estimates, including measurement of expected credit losses on receivables and contract assets, the measurement of inventories, the provisions for decline in value of inventories, the depreciation methods and the depreciation rates of the fixed assets, the amortisation methods of the intangible assets, the method of long-term assets impairment testing, and the policy for revenue recognition and measurement of revenue etc.

1. Statement of compliance with Accounting Standards for Business Enterprises

These financial statements are in compliance with the ASBEs to truly and completely reflect the Group's and the Company's financial position as at 31 December 2025 and operating results and cash flows for the year ended 31 December 2025.

2. Accounting period

The accounting year of the Group is from 1 January to 31 December of each calendar year.

3. Functional currency

These financial statements are presented in Renminbi ("RMB"), which is the Company's functional currency. Except as otherwise indicated, all amounts are presented in thousands of RMB.

The Subsidiaries, joint ventures, and associates within the Group may determine their own functional currencies based on their specific economic environments and use RMB as the presentation currency of their financial statements.

4. Determination method for materiality criterion and basis for selection

The Group applies the principle of materiality to prepare and present financial statements. An item is material if it is reasonably expected that the omission or misstatement of the item in the financial statements would affect the economic decision made by the user accordingly. When judging the materiality, the Group determined whether the item is material from two aspects, the nature of the item (whether it arises from the Group's normal activities, whether it materially affects the Group's financial position, financial performance and cash flows, etc) and the amount of the item (the proportion of the amount to the Group's key financial indicator, including revenue, cost of sales, net profit, total assets, total liabilities, total shareholders' equity or the proportion to the amount of specific line item).

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

A business combination under the same control is a business combination in which the enterprises participating in the combination are ultimately controlled by the same party or the same parties before and after the combination, and the control is not temporary. The assets and liabilities acquired by the combining party in a business combination under common control (including goodwill arising from the acquisition of the combined party by the ultimate controlling party) shall be accounted for on the basis of the carrying amounts in the financial statements of the ultimate controlling party on the combination date. The difference between the book value of the net assets obtained by the combining party and the book value of the combination consideration paid (or the total face value of the shares issued) shall be adjusted to the share premium in the capital reserve. If it is insufficient to offset, the retained earnings shall be adjusted.

A business combination not involving enterprises under common control is a business combination in which the enterprises participating in the combination are not ultimately controlled by the same party or the same parties before and after the combination. Identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not involving enterprises under common control are measured at fair value on the acquisition date. The difference between the combination cost and the acquiree's share of the fair value of the acquiree's identifiable net assets acquired in the combination is recognized as goodwill and subsequently measured at cost less accumulated impairment losses. If the combination cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the combination, the measurement of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree obtained and the combination cost shall be reviewed. If the combination cost is still less than the fair value share of the identifiable net assets of the acquiree obtained in the combination after the review, the difference shall be included in the current profit and loss.

6. Consolidated financial statements

The scope of the consolidated financial statements, which include the financial statements of the Company and all of its subsidiaries, is determined on the basis of control. Subsidiary refers to the entity controlled by the company (including the divisible parts of the enterprises, the invested units, and the structured entities controlled by the company, etc). An investor is able to control the investee if and only if it has power over the investee, has variable returns for participating in the investee's activities, and has the ability to use its power over the investee to influence the amount of its returns.

In the preparation of the consolidated financial statements, where the accounting policies of a subsidiary is different from those of the Company, the Company has adjusted the financial statements of the subsidiary based on the Company's own accounting policies; and where the accounting period of a subsidiary is different from that of the Company, the Company has adjusted the financial statements of the subsidiary based on the Company's own accounting period. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (Continued)

Where the loss for the current period attributable to non-controlling interests of a subsidiary exceeds the non-controlling interests of the opening balance of equity of the subsidiary, the excess shall still be allocated against the non-controlling interests.

For subsidiaries acquired through business combinations not involving entities under common control, the financial performance and cash flows of the acquiree shall be consolidated from the date on which the Group obtains control, and continue to be consolidated until the date such control ceases. While preparing the consolidated financial statements, the Group shall adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognised on the acquisition date.

For subsidiaries acquired through business combinations involving entities under common control, the financial performance and cash flows of the entity being absorbed shall be consolidated from the beginning of the period in which the combination occurs. While preparing the comparative financial statements, adjustments are made to related items in the financial statements for the prior period as if the reporting entity after the combination has been in existence since the date the ultimate controlling party first obtained the control.

The Group reassesses whether or not it controls an investee if any changes in facts and circumstances indicate that there are changes to one or more of the three elements of control.

Without loss of control, a change in minority shareholders' interests is treated as an equity transaction.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights related to administrative tasks only. The relevant activities of a structured entity are directed by means of contractual agreements. When the Group acts as an asset manager in a structured entity, the Group is required to determine whether it is exercising decision-making rights as a principal or an agent in the structured entities. If the Group (as an asset manager) is only acting as an agent, it exercises decision-making rights on behalf of the principal (other investors of the structured entities) and does not control the structured entities. If the Group (as an asset manager) is exercising decision-making rights on its own behalf, it is the principal and controls the structured entities.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Joint arrangement and joint operations

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

A joint operator recognises the following items in relation to its interest in a joint operation: its solely-held assets and its share of any assets held jointly; its solely-assumed liabilities and its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its solely-incurred expenses and its share of any expenses incurred jointly.

8. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

9. Foreign currency transactions and foreign currency translations

The Group translates the amounts of foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded using the functional currency spot exchange rate ruling at the dates of the transactions. Monetary items denominated in foreign currencies are translated into functional currencies at the spot exchange rate ruling at the end of the reporting period, but the capital invested by the investor in the foreign currency is converted at the spot exchange rate on the date of the transaction. All differences are recognised in profit or loss, except those related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation for the purpose of acquisition, construction or production of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currencies using the exchange rate used at the time of initial recognition and do not change the amounts of functional currency. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange spot rate at the date the fair value is determined; the exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates functional currencies of overseas financial statements into RMB financial statements. All assets and liabilities are translated at the spot exchange rates ruling at the end of the reporting period; the shareholders' equity, with the exception of retained earnings, is translated at the spot exchange rates ruling at the transaction dates; revenue and expense items in the statement of profit or loss are translated using the average exchange rate for the period during which the transactions occur (unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, such items will be translated using the spot exchange rate at the transaction date), and exchange differences arising from the translations mentioned above are recognised as other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss on a pro-rata basis.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Foreign currency transactions and foreign currency translations

Foreign currency cash flows and cash flows of overseas subsidiaries are translated using the average exchange rate for the period during which the cash flows occur unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, in that case such items will be translated at the spot exchange rate prevailing on the date when the cash flows incurred). The effect of changes in exchange rates on cash and cash equivalents are presented as a reconciled item separately in the statement of cash flows.

10. Financial instruments

Financial instruments refer to contracts that create a financial asset for one entity and a financial liability or equity instrument for another.

(1) Recognition and derecognition of financial instruments

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

(i) the rights to receive cash flows from the financial asset have expired; or

(ii) the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either has transferred substantially all the risks and rewards of the financial asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets under contracts whose terms require delivery within the time frame generally established by regulation or convention in the marketplace concerned. The trade date is the date that the Group committed to purchase or sell a financial asset.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets

The following classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to other financial assets are included in the initial recognition amounts.

The subsequent measurement of financial assets depends on their classification as follows:

Debt investments measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Debt investments at fair value through other comprehensive income

The Group measures debt investment held at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognised in profit or loss. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

Equity investments at fair value through other comprehensive income

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no impairment allowance is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Only when accounting mismatches can be eliminated or significantly reduced can financial assets be designated as financial assets measured at fair value with changes recognized in current profit or loss at the initial measurement.

When a company designates a financial asset as a financial asset measured at fair value with changes recognized in current profit or loss at initial recognition, the financial asset cannot be reclassified to another category. Financial assets in other categories cannot be reclassified as financial assets measured at fair value with changes recognized in current profit or loss after initial recognition.

(3) Classification and measurement of financial liabilities

Except for the financial guarantee contracts issued and the financial liabilities caused by financial assets that do not qualify for derecognition or by continuing involvement in transferred assets, the Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. For financial liabilities at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to financial liabilities at amortised cost are included in the initial recognition amounts.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities (Continued)

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Financial liabilities can only be designated as financial liabilities measured at fair value with changes in fair value recognized in profit or loss at the initial measurement if one of the following conditions is met:

(1) The designation can eliminate or significantly reduce accounting mismatches;

(2) The formal written document for risk management or investment strategy has stated that the financial instrument portfolio is managed, evaluated, and reported to key management personnel based on fair value;

(3) A hybrid instrument contains one or more embedded derivative instruments, unless the embedded derivative instruments do not significantly change the cash flows of the hybrid instrument, or the embedded derivative instruments are not be separated from the relevant hybrid instrument;

(4) A mixed instrument includes embedded derivative instruments that need to be separated but cannot be separately measured at the time of acquisition or the end of subsequent reporting periods.

When a company designates a financial liability as a financial liability measured at fair value with changes recognized in current profit or loss at initial recognition, the financial liability cannot be reclassified to another category. Financial liability other categories cannot be reclassified as financial liabilities measured at fair value with changes recognized in profit or loss after initial recognition.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities (Continued)

Financial liabilities at amortised cost

For such financial liabilities, the effective interest rate method is adopted and the subsequent measurement is carried out according to the amortized cost.

(4) Impairment of financial instruments

Based on the expected credit losses ("ECLs"), the Group recognises an allowance for ECLs for the financial assets measured at amortised cost, debt investments at fair value through other comprehensive income, lease receivables, contract assets, and financial guarantee contracts.

For accounts receivable and contract assets excluding significant financing components, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

For accounts receivable and contract assets including significant financing components and lease receivable, the Group applies the simplified approach to recognise the loss allowance based on lifetime ECLs.

Except for financial assets which apply the simplified approach as mentioned above, the Group assesses whether the credit risks of other financial assets and financial guarantee contracts has increased significantly since initial recognition at each end of the reporting period. If the credit risk has not increased significantly since the initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate, and if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the end of the reporting period, the Group assumes that the credit risk has not increased significantly since initial recognition.

The Group's judgement criteria for a significant increase of credit risk and the definition of credit-impaired assets are disclosed in Note IX.1.

The factors reflected in the Group's measurement the expected credit losses of financial instruments include: the unbiased probability weighted average amount determined by evaluating a series of possible results, the time value of money, and the reasonable and reliable information about past events, current conditions and future economic conditions that can be obtained without unnecessary extra costs or efforts on the end of the reporting period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

Categories of impairment provision based on credit risk characteristics and the basis for their determination

The Group has assessed the expected credit losses of trade receivables, contract assets and long-term receivables by considering the credit risk characteristics of different customers, grouping them based on common risk factors and forming multiple portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers), while also incorporating the aging analysis of trade receivables, contract assets and long-term receivables; the Group has assessed the expected credit losses of other receivables by considering the credit risk characteristics of different customers, grouping them based on common risk factors and forming multiple portfolios (including related parties and other external units considered based on the nature of amounts, while also incorporating the aging analysis of other receivables.

Aging calculation method based on the identification of credit risk characteristic portfolios

The Group determines the age of amounts based on the time point of project settlement, and determines the age of overdue amounts based on the agreed payment date in the contract.

The criteria for determining individual impairment provisions

If the credit risk characteristics of a counterparty are significantly different from those of other counterparties in the portfolio, the receivables from that counterparty should be subject to individual impairment loss provisions.

Write off of impairment allowance

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, the Group directly writes down the carrying amount of the financial asset.

(5) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts; and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(6) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are measured, on initial recognition, at fair value. For financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss, they are, after initial recognition, subsequently measured at the higher of: (i) the amount of provisions for ECLs at the end of the reporting period, and (ii) the amount initially recognised less the cumulative amortisation recognised in accordance with the guidance for revenue recognition.

(7) Derivative financial instruments

The Group uses derivative financial instruments. Derivative financial instruments are measured at its fair value at the transaction date at initial recognition and measured at fair value subsequently. Derivative financial instruments with positive fair value would be recognized as assets while those with negative fair value would be recognized as liabilities.

The gains or losses arising from changes in fair value of derivative financial instruments are recognized in profit or loss, except for those related to hedge accounting.

(8) Transfer of financial assets

A financial asset is derecognised when the Group has transferred substantially all the risks and rewards of the asset to the transferee. A financial asset is not derecognised when the Group retains substantially all the risks and rewards of the financial asset.

When the Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, it either (i) derecognises the financial asset and recognises the assets and liabilities created in the transfer when it has not retained control of the asset; or (ii) continues to recognise the transferred asset to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability.

Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the guarantee amount. The guarantee amount is the maximum amount of consideration that the Group could be required to repay.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Inventories

Inventories include raw materials, work in progress, finished goods, turnover materials, properties under development and completed properties held for sale. Costs of properties under development and completed properties held for sale mainly consist of the acquisition cost of land use rights, expenditures of land development, construction costs, infrastructure costs, costs of supporting facilities and other relevant costs.

Inventories are initially measured at actual cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs. The actual cost of inventories transferred out is determined using the first-in first-out, weighted average or specific identification method. Turnover materials include low value consumables and packing materials. Low value consumables and packing materials are amortised using immediate write-off. Other turnover materials are amortised based upon numbers of usage.

Inventories are accounted for using the perpetual inventory system.

At each balance sheet date, inventories shall be measured at the lower of cost and net realisable value. If the cost is in excess of net realisable value, provision for inventories is recognised in the statement of profit or loss. When the circumstances that previously caused inventories to be written down below cost no longer exist and the net realisable value is higher than the carrying amount, the original amount of the write-down is reversed and charged to the profit or loss for the current period.

Net realisable value is the estimated selling price under normal business terms deducted by the estimated costs to completion, the estimated selling expenses and related taxes. Provision is considered on a category basis for inventories in large quantity and with relatively low unit prices and on an individual basis for all other inventories.

12. Non-current assets and disposal groups held for sale and discontinued operations

(1) Non-current assets and disposal groups held for sale

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification(Where regulations require approval from the enterprise's relevant governing body or regulatory authority prior to disposal, such approval has already been obtained). When the disposal of an investment in a subsidiary results in the loss of control, the entire investment shall be classified as held for sale in the individual financial statements, provided the criteria for such classification are met – regardless of whether the entity retains any residual equity interest in the subsidiary following the transaction.

For non-current assets or disposal groups held for sale (excluding financial assets and deferred tax assets), if their carrying amount exceeds the net amount of fair value less costs to sell, the carrying amount shall be reduced to such net amount. The amount of reduction shall be recognized as an impairment loss in the current period's profit or loss, and an impairment provision for assets held for sale shall be simultaneously recognized. Non-current assets within assets or disposal groups held for sale shall not be depreciated or amortized, nor accounted for using the equity method.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Non-current assets and disposal groups held for sale and discontinued operations (Continued)

(2) Discontinued Operations

A discontinued operation refers to a component that meets any of the following criteria and has been disposed of or classified as held for sale:

i. represents a separate major line of business or geographical area of operations;

ii. is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or

iii. is a subsidiary acquired exclusively with a view to resale.

Gains or losses from discontinued operations, including impairment losses and reversals, as well as disposal gains or losses, are presented separately in the statements of profit or loss, distinct from continuing operations.

For discontinued operations presented in the current period, the Group has reclassified the results previously presented as continuing operations to discontinued operations in the current period's financial statements, and presented the corresponding amounts as comparative information for the prior period.

13. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

A long-term equity investment is initially measured at its initial investment cost on acquisition. For a long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the acquirer's share of the carrying value of shareholder's equity of the party being absorbed at the combination date. For the difference between the initial investment cost and the book value of the merger consideration, the capital reserve shall be adjusted (if it is not enough to offset, the retained earnings shall be offset). For a long-term equity investment through a business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of combination (for a business combination not involving entities under common control achieved in stages that involves multiple exchange transactions, the initial investment cost is carried at the aggregate of the carrying amount of the acquirer's previously held equity interest in the acquiree and the new investment cost incurred on the acquisition date). For a long-term equity investment acquired otherwise than through a business combination, the initial investment cost is determined as follows: for a long-term equity investment acquired by cash, the initial investment cost is the actual purchase price paid and direct costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for a long-term equity investment acquired by the issue of equity securities, the initial investment cost is the fair value of the securities issued.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

For a long-term equity investment where the Company can exercise control over the investee, the long-term investment is accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the cost method, the long-term equity investment is measured at its initial investment cost. When additional investment is made or the investment is recouped, the cost of long-term equity investment is adjusted accordingly. Cash dividends or profit distributions declared by the investee are recognised as investment income in profit or loss.

The equity method is adopted when the Group has joint control, or exercises significant influence over the investee. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control with other parties over those policies.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, after it has acquired a long-term equity investment, the Group recognises its share of the investee's profit or loss, as well as its share of the investee's other comprehensive income, as investment income or loss and other comprehensive income, and adjusts the carrying amount of the investment accordingly. The Group recognises its share of the investee's profit or loss after making appropriate adjustments to the investee's profit or loss based on the fair value of the investee's identifiable assets at the acquisition date, using the Group's accounting policies and periods. Unrealised profits and losses from transactions with its joint ventures and associates are eliminated to the extent of the Group's investments in the associates or joint ventures (except for assets that constitute a business). However, any loss arising from such transactions which are attributable to an impairment loss shall be recognised at its entirety. The carrying amount of the investment is reduced based on the Group's share of any profit distributions or cash dividends declared by the investee. The Group's share of net losses of the investee is recognised to the extent that the carrying amount of the investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero, except that the Group has the obligations to assume further losses. The Group's share of the investee's equity changes, other than those arising from the investee's profit or loss, other comprehensive income or profit distribution, is recognised in the Group's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or for both purposes.They include land use rights that are leased out; land use rights held for transfer upon capital appreciation; and buildings that are leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment properties and adopts a depreciation or amortisation policy for the investment property which is consistent with that for buildings or land use rights.

When an investment real estate is disposed of or permanently retired from use and no economic benefits are expected from its disposal, the investment real estate shall be derecognised.

When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

When the Group has evidence indicating the owner-occupied properties are converted to leasing or when it lease out its properties held for sale under operating leases, the carrying amount of such fixed assets, intangible assets or inventories before the conversion are transferred to investment properties.

When the Group has evidence indicating the properties held to earn rentals or for capital appreciation are converted to owner-occupied properties or the properties intended for operating lease purpose are open for sale, the carrying amounts of such properties before the conversion are transferred to fixed assets, intangible asset or inventories.

15. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditure incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss or the cost of related assets as incurred according to the beneficiaries.

Fixed assets are initially measured at cost. The purchase cost of a fixed asset comprises its purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets (Continued)

The accelerated depreciation method is adopted for depreciation of the fixed assets specifically used for research and development. The unit of production method is adopted for the depreciation of part of the large-scaled construction equipment. For other fixed assets, the straight-line method is adopted.

For fixed assets depreciated with the straight-line method, the estimated useful lives, estimated residual value rates and annual depreciation rates by category are as follows:

	Useful lives	Estimated residual value rates	Annual depreciation rates
Buildings	20-35 years	5%	2.71%-4.75%
Machinery	10-25 years	5%	3.80%-9.50%
Vehicles	5-10 years	5%	9.50%-19.00%
Production equipment	5-10 years	5%	9.50%-19.00%
Measuring and testing equipment	5 years	5%	19.00%
Others	3-5 years	5%	19.00%-31.67%

Where the individual component parts of a fixed asset have different useful lives or provide benefits to the enterprise in different patterns, different depreciation rates are applied.

The Group reviews the useful life and estimates net residual value of a fixed asset and the depreciation method applied at least at the end of each year, makes adjustments and accounts for any changes when necessary.

16. Construction in progress

Construction in progress is recognised based on the actual construction expenditure incurred. It consists of all types of expenditure necessarily to be incurred, capitalised borrowing costs on related borrowings before the asset is ready for its intended use, and other related expenditures during the period of construction.

The timing and criteria of construction in progress to be ready for its intended use are as follows:

	Standards for transferring
Buildings	Completion and acceptance
Machinery and equipment	Completion of installation and acceptance

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are included in current profit and loss.

The capitalisation of borrowing costs commences only when the expenditures for the asset and the borrowing costs have been incurred, and the activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised in profit or loss.

During the capitalisation period, the amount of interest eligible for capitalisation for each accounting period shall be determined as follows:where borrowings are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is the actual interest costs incurred on these borrowings for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those borrowings; or where borrowings are borrowed generally for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets

(1) Useful lives of intangible assets

The Group's intangible assets include land use rights, concession rights, software licenses, mining rights and others.

An intangible asset shall be recognised only when it is probable that the related economic benefits will flow to the Group and the costs of which can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination involving entities not under common control with a fair value that can be measured reliably are recognised separately as intangible assets and measured at fair value at the date of acquisition.

The useful lives of intangible assets are assessed based on estimated economic benefit periods. Those intangible assets without foreseeable economic benefit periods are classified as intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortised over the useful lives on the traffic volume basis, straight-line basis or unit of production basis. The Group reviews the useful lives and the amortisation method of intangible assets with finite useful lives, and adjusts if appropriate, at least at each year end.

Land use rights

Land use rights represent costs incurred for a certain lease period of land.

The Group accounts for its land use rights as intangible assets. The land use rights of self-developed buildings including plants are measured as intangible assets and buildings are measured as fixed assets. With respect to the land use rights purchased together with buildings, the acquisition cost is allocated between the two parts proportionately, or otherwise, is wholly accounted for as fixed assets.

Land use rights of the Group are amortised on the straight-line basis according to the useful lives approved in the land use certificates obtained.

Concession rights

The Group engages in certain service concession arrangements in which the Group carries out construction work (such as turnpike highways and other construction works) for the granting authority and receives in exchange a right to operate the assets concerned in accordance with the pre-established conditions set by the granting authority, or the Group purchases the concession rights directly.

The amortisation approach, either the traffic volume method or the straight-line method, should be selected for concession operation projects obtained through participation in the construction of expressways based on the pattern in which the asset's future economic benefits are expected to be realised at the commencement of operations. The concession rights obtained through participation in other construction projects are amortized over the expected operating period using the straight-line method.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets (Continued)

(1) Useful lives of intangible assets

Software licenses

The software licenses are recorded at the price actually paid upon acquisition and are amortised equally over the estimated useful life of one to ten years.

Mining rights

Mining rights are stated at cost incurred to obtain the mining license. Amortisation is calculated by the unit of production method based on proved mining reserves.

(2) Development expenditure

The Group classifies the expenditure in an internal research and development project into expenditure in the research phase and expenditure in the development phase. Expenditure in the research phase is recognised in profit or loss for the period in which it is incurred. Expenditure in the development phase is capitalised when the Group can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; and how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure in the development phase that does not meet the above criteria is recognised in profit or loss for the period in which it is incurred.

19. Impairment of assets

The Group determines the impairment of assets, other than the impairment of inventories, contract assets and assets related to the costs incurred in fulfilling a contract, deferred tax assets, financial assets, using the following methods:

The Group assesses at the end of the reporting period whether there is any indication that the assets may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs impairment testing. Goodwill arising from a business combination and an intangible asset with an indefinite useful life and intangible assets that have not been ready for intended use are tested for impairment at each year end, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flow estimated to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Impairment of assets (Continued)

When the recoverable amount of an asset or an asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Group. The reduction in the carrying amount is treated as an impairment loss and recognised in profit or loss. A provision for impairment loss of the asset is recognised accordingly.

For the purpose of impairment testing, the carrying amount of goodwill is allocated from the acquisition date on a reasonable basis to each of the related asset groups or the related set of asset groups. Each of the related asset groups or set of asset groups is an asset group or set of asset groups that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

The carrying amount of the related asset group (set of asset groups) to which goodwill has been allocated for impairment is compared to its recoverable amount. If the carrying amount of the asset group (set of asset groups) is higher than its recoverable amount, the amount of the impairment loss is firstly used to reduce the carrying amount of the goodwill allocated to the asset group (set of asset groups), and then used to reduce the carrying amount of other assets (other than the goodwill) within the asset group (set of asset groups), on a pro-rata basis of the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent periods.

20. Long-term prepayments

Long-term prepayments represent expenditures incurred which should be recognised as expenses over one year and should be allocated in current and subsequent periods, including costs of improvements to fixed assets under operating leases. Long-term prepayments are amortised on the straight-line basis over the estimated beneficial period. Expenditure incurred during the pre-operating period should be recognised in profit or loss immediately as incurred.

21. Employee benefits

Employee benefits are all forms of considerations given by an entity in exchange for services rendered by employees or for the termination of employment. Employee benefits include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. Employee benefits also include the benefits the Group provided to employees' spouses, children, dependent, and families of deceased employees and other beneficiaries.

(1) Short-term benefits

In the period of employee services, short-term benefits are actually recognised as liabilities and charged to profit or loss or the related costs of assets for the current period.

(2) Post-employment benefits (defined contribution plans)

For employees of the Group participate in the basic pension insurance and unemployment insurance plans managed by local governments and participate in the supplementary pension insurance of the Group as well, the relevant expenditures are recorded in the relevant capital costs and expenses in the period when incurred.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Employee benefits (Continued)

(3) Post-employment benefits (defined benefit plans)

The Group provides benefit plans for long-term post-leaving personnel, which are considered as defined benefit plans. The Group does not put any funds in the plans; the costs of the defined benefit plans are measured using the projected cumulative unit credit method.

Any re-measurement caused by the defined benefit plans, including actuarial gains or losses, is recognised in the statement of financial position immediately and recorded in equity as other comprehensive income in the accounting period the re-measurement occurred. Those losses and gains should not be reversed to profit or loss in the subsequent accounting periods.

The past service costs should be recognised as current expenses at the earlier of the following dates: (1) when the Group modifies the defined benefit plans; and (2) when the Group recognises relevant restructuring costs or termination benefits.

Net interest equals to the net defined benefit liability multiply by the discount rate. The Group recognised changes in the net defined benefit obligation as general and administrative expenses in the statement of profit or loss and other comprehensive income. Those changes include service costs, including current service costs, past service costs and gains and losses on settlement, and net interest, which is the interest expenses of the plans.

(4) Termination benefits

The Group recognises a liability and expenses for termination benefits at the earlier of the following dates: (1) when the Group can no longer unilaterally withdraw the offer of those benefits for proposals or suggestions for termination of employment; and when the Group involved restructuring-related costs or expenses in respect of which termination benefits are payable.

22. Debt restructuring

(1) Recording of debt restructuring obligation as the debtor

When a debt is settled by an asset in a debt restructuring, the Group derecognises the relevant asset and the debt settled when the derecognition criteria for the asset and the debt are satisfied. The difference between the carrying amount of the debt settled and the carrying amount of the asset transferred is recognised in profit or loss for the current period.

When a debt is converted into an equity instrument in a debt restructuring, the Group derecognises the debt settled when the derecognition criteria for the debt are satisfied. On initial recognition, the equity instrument is recognised at fair value. When the fair value of the equity instrument cannot be measured reliably, the equity instruments are recognised at the fair value of the debt. The difference between the carrying amount of the debt and the carrying amount of the equity instrument is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Debt restructuring (Continued)

(1) Recording of debt restructuring obligation as the debtor (Continued)

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the debt restructured in accordance with ASBE No. 22 and Accounting Standard for Business Enterprises No.37- Presentation of Financial Instruments (ASBE No. 37).

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group recognises and measures the equity instrument and the debt restructured in accordance with the policies regarding debts settled by assets and debts converted into equity instruments, as mentioned above. The difference between the carrying amount of the debt and the sum of the carrying amount of the assets transferred, the carrying amount of the equity instrument recognised and the carrying amount of the debt restructured, is recognised in profit or loss for the current period.

When a debt is settled by assets in a debt restructuring, on initial recognition of the assets other than financial assets, the assets are recognised at cost.

(1) The cost of inventories includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, insurance and other costs, for bringing the assets to the current position and condition;

(2) The cost of fixed assets includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, installation costs, professional service costs and other costs, for bringing the assets to working condition for intended use.

(3) When the debt restructuring causes the Group to convert the debt receivable to an equity investment of joint ventures or associates, the creditor shall measure the equity investment based on the sum of the fair value of debt receivable, and any directly attributable taxes and other costs of the investment. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the restructured debt receivable in accordance with ASBE No. 22.

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group first recognises and measures the financial assets received and restructured debt receivable in accordance with ASBE No. 22, and then allocates the net value, which is the fair value of the debt receivable deducted by the recognised total carrying amount of financial assets received and restructured debt receivable, to the costs of non-financial assets received based on their relative fair value. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Provisions

Except for contingent liabilities assumed in business combinations involving entities not under common control, the Group recognises an obligation related to a contingency as a provision if the obligation is a present obligation of the Group, it is probable that an outflow of economic benefits from the Group will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with a comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at each balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

24. Other equity instruments

The renewable corporate bonds and other financial instruments issued by the Group shall be classified as equity instruments if no contractual obligations of one party (the issuer) to deliver cash or another financial asset to another party (the holder), or to exchange financial assets or liabilities under conditions that are potentially unfavourable.

For renewable corporate bonds and other financial instruments classified as equity instruments, distribution of interest and dividends are recognised into distribution of equity. Its repurchase and cancellation are recognised as changes of equity and transaction costs related to equity transactions are deducted from equity.

25. Revenue from contracts with customers

The Group shall recognize revenue when the Group satisfies a performance obligation in the contract, that is when the customer obtains control over relevant goods or services. Control over the relevant goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from the goods or services.

25.1 Revenue from construction contract

The revenue from construction contracts between the Group and the customer usually includes performance obligations of housing construction and infrastructure construction. Because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, the revenue is recognised over time only if the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation. The Group uses the input method and determines the progress towards the complete satisfaction of the rendering of services on the basis of costs incurred. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

25.2 Revenue from sales of real estate

Revenue from the Group's property development business is recognised when control of the property is transferred to the customer. Generally, revenue is recognised at a point in time after taking into account the following factors: the acquisition of the present right to collect the goods, the transfer of the principal risks and rewards of ownership of the goods, the transfer of legal ownership of the goods, the transfer of physical assets of the goods, and the customer's acceptance of the goods. The Group recognizes the realization of real estate sales revenue when the house is completed and accepted, the sales contract is signed with the purchaser, the purchaser's payment certificate is obtained and the house is delivered for use. If the purchaser refuses to accept the written house delivery notice without justified reasons, the realization of real estate sales revenue shall be recognized after the end of the delivery and use time limit determined in the written house delivery notice.

25.3 Revenue from plan, design and consultancy operations

For plan, design and consultancy operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services.

25.4 Revenue from manufacturing operations

For manufacturing operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services. The revenue is recognised at transfer control point in time based on the following indicators, which include: a present right to payment for goods, the transfer of significant risks and rewards of ownership of goods, the transfer of legal title to goods, the transfer of physical possession of goods, the customer's acceptance of goods.

25.5 Variable consideration

Some of the Group's contracts with customers include arrangements of variable consideration. The Group determines the best estimate of variable consideration by using the expected value method or the most likely amount method. However, the transaction price including variable consideration is only applied to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

25.6 Significant financing components

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods or services. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between when the customer obtains control of the goods or services and when the customer pays for such goods or services will be one year or less.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

25.7 Consideration payable to a customer

If the contract includes consideration payable to a customer, the Group shall account for consideration payable to a customer as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service, and shall recognise the reduction of revenue when (or as) the later of either of the following events occurs: (1) the Group recognises revenue for the transfer of the related goods or services to the customer; and (2) the Group pays or promises to pay the consideration.

If the contract includes two or more performance obligations, at contract inception, the Group allocates the transaction price to each performance obligation on a basis of relative stand-alone selling price, at which an entity would sell a promised good or service separately to a customer. When an entity has observable evidence that the contract discount or the variable consideration relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate the contract discount or the variable consideration to one or more, but not all, performance obligations in the contract.

The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group shall consider all information that is reasonably available to the Group and maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

25.8 Warranties

The Group provides a warranty in connection with the sale of a good or the construction of an asset in accordance with the contract and the relevant laws and regulations, etc. For an assurance-type warranty that provides the customer the assurance that the goods sold or the assets built comply with agreed-upon specifications, the Group accounts for the warranty in accordance with Notes III.23. For a service-type warranty that provides a customer with a service in addition to the assurance that the product complies with agreed-upon specifications, the Group accounts for it as a separate performance obligation. On the basis of the relative proportion between the stand-alone selling price of the good and the service-type warranty, a portion of the transaction price is allocated to the service-type warranty and revenue is recognised when a customer obtained control of the good. When assessing whether a service-type warranty provides a customer with a separate service in addition to the assurance that the good complies with agreed-upon specifications, the Group considers whether the warranty is required by law, the length of the warranty coverage period and the nature of the tasks that the Group promises to perform, etc.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

25.9 Principal/agent

The Group determines whether the group is a principal or an agent based on whether the Group has control over the product or service before transferring to the customer. Under the circumstance that the Group controls goods or services before goods or services are transferred to the customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods or services to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

25.10 Recognition of revenue from Public-Private Partnership ("PPP")

Public-Private-Partnership project contracts refers to the contracts established by the Group as social capital entity and the government for PPP project cooperation in accordance with laws and regulations, and the contracts shall meet the following features at the same time (hereinafter referred to as "double features"):

(i) The Group provides public products and services on behalf of the government by using PPP project assets during the contractually agreed operation period; and

(ii) The Group is compensated for the public goods and services it provides for the period agreed in the contract.

The following conditions shall be met at the same time (hereinafter referred to as "double controls"):

(i) The government controls or regulates the type, object and price of public goods and services that the Group must provide in the use of PPP project assets; and

(ii) When the PPP project contract is terminated, the government party controls the significant residual interests of the PPP project assets through ownership, income rights or other forms of control.

The Group who provides multiple service (e.g. providing construction service for PPP project and operation and maintenance service after the construction is complete) in accordance with the contract, it shall identify the single performance obligation included in the contract and allocate the transaction price to each performance obligation in accordance with the proportion of the stand-alone selling price of each performance obligation in accordance with the provisions of ASBE No. 14 – Revenue. Revenue from construction service is measured by consideration collected or entitled to charge and recognise contact assets at the same time. When the labor service is provided, the corresponding revenue is recognized in period of operation; Daily maintenance or repair expenses incurred are recognized as current expenses.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

25.10 Recognition of revenue from Public-Private Partnership ("PPP") (Continued)

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect certain cash flows (or other financial assets) and recognise revenue and receivables simultaneously when the Group has the right to collect such consideration (a right is only determined by the passage of time), in accordance with "Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments".

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect cash flows from parties who received public products and services with uncertain amount, and such right does not constitute an unconditional right to collect cash. The Group should recognise the consideration or the revenue recognised from construction activity of PPP assets as intangible assets when the PPP assets reach working condition, in accordance with "Accounting Standards for Business Enterprises No. 6 – Intangible Assets".

After PPP assets reach working condition, the Group should recognise revenue for operation of PPP projects in accordance with "Accounting Standards for Business Enterprises No. 14 – Revenue".

26. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer's payment in the balance sheet. The Group offsets the contract assets and contract liabilities under the same contract and presents the net amount.

26.1 Contract assets

The Group presents its right to consideration in exchange for goods or services as a contract asset (the right to consideration is conditional on other factors excluding the passage of time) if the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. The Group presents consideration as an account receivable when the Group has the right to it which is unconditional subsequently.

For details of how the Group measures and accounts for the ECLs of a contract asset, refer to Notes III.10.

26.2 Contract liabilities

The Group presents its obligation to transfer goods or services to a customer, for which the Group has received consideration or the Group has a right to an amount of consideration that is unconditional (i.e., a receivable) from the customer, as a contract liability.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Assets related to the contract cost

The Group's assets related to the contract cost include the costs to obtain and fulfil a contract and are classified as inventories, other current assets and other non-current assets by liquidity.

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs, unless the amortisation period of the asset is one year or less.

Other than the costs which are capitalised as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(1) the costs relate directly to a contract or to an anticipated contract, including direct labour, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;

(2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and

(3) the costs are expected to be recovered.

The contract cost asset is amortised and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised.

The Group accrues provisions for impairment and recognises impairment losses to the extent that the carrying amount of a contract cost asset exceeds:

(1) the remaining amount of consideration expected to receive in exchange for the goods or services to which the asset relates; less

(2) the costs that are expected to be incurred to transfer those related goods or services.

28. Government grants

Government grants are recognised when all attaching conditions will be complied with and the grants will be received. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

28.1 Judgement basis and accounting treatments for government grants related to assets

Government grants related to assets refer to those acquired by the Group for the purpose of purchasing or constructing or forming long-term assets.

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognised as deferred income and amortised in profit or loss over the useful life of the related asset by annual instalments in a systematic and rational way (however, a government grant measured at a nominal amount is recognised directly in profit or loss). Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Government grants (Continued)

28.2 Judgement basis and accounting treatments for government grants related to income

Government grants related to income refer to those other than grants related to assets.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related expenses are recognised. If the grant is a compensation for related expenses or losses already incurred, the grant is recognised immediately in profit or loss for the period.

28.3 Relocation compensation received due to public interests

The Group receives relocation compensation directly from the government for the benefit of public interests such as urban overall planning, reservoir construction, and renovation of shanty towns and subsidence area control. The relocation compensation is paid out of financial budgets by the government and is recognised as special payable when received. The compensation granted for losses of fixed assets and intangible assets, expenses incurred, losses from suspension of projects, and assets to be constructed after the relocation, should be transferred to deferred income and recognised as government grants relating to assets and government grants related to income accordingly. Excess of the relocation compensation over the amount transferred to deferred income should be recognised in capital reserve.

29. Deferred income tax

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(1) when the taxable temporary difference arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

(2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Deferred income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except:

(1) when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

(2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

At the end of the reporting period, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, in accordance with the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Leases

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(1) As lessee

Except for short-term leases and leases for which the underlying asset is of low value, the Group shall recognise right of use assets and lease liabilities.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

At the commencement date of the lease, the Group recognises a right-of-use asset. Right-of-use assets are initially measured at cost. The cost of the right-of-use asset comprises: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date of the lease less any lease incentives received; (iii) any initial direct cost incurred; and (iv) an estimate of costs incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group remeasures the lease liability for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying asset will be transferred to the Group at the end of the lease term, the Group depreciates the asset from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

At the commencement date of the lease, the Group measures lease liabilities at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those in the costs of the related assets as required. In addition, the Group remeasures lease liabilities at the present value of the revised lease payments upon a change in any of the following: in-substance fixed payments, the amounts expected to be payable under residual value guarantees, the index or rate used to determine lease payments, or the assessment or exercise of the purchase option, the renewal option or the option to terminate the lease.

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease of the individual underlying asset with low value, when new, as a lease of low-value assets. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and of low-value assets. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss on a straight-line basis over the lease term.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Leases (Continued)

(2) As a lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

Rent income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. The Group shall add initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

(3) Sale and leaseback transactions

As a seller-lessee

The Group applies the requirements of ASBE No. 14 to assess whether the sale and leaseback transaction constitutes a sale by the Group as a seller-lessee. For the sales and leaseback transaction that does not constitute a sale, the Group continues to recognise the transferred asset, and recognises a financial liability which is equal to the transfer proceeds and accounts for the financial liability applying ASBE No. 22. If the sales and leaseback transaction constitute a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. After the lease commencement date, the Group shall make subsequent measurements of the right-of-use assets and lease liabilities formed by the leaseback transaction in accordance with the above provisions on subsequent measurement of such assets and liabilities.

31. Production safety expenses

The Group accrues for production safety expenses pursuant to the Circular on Printing and Issuing the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation (Cai Qi [2022] No.136) and the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation, issued by the Ministry of Finance and the Ministry of Emergency Management.

Production safety expenses accrued based on the aforesaid regulations shall be recorded in the costs of related products or expenses in profit or loss for the current period and provided as a fund in the special reserve. When the expenditures are utilised as expenses, they should be recognised in the statement of profit or loss and other comprehensive income and offset against the special reserve; when the expenditures incurred relate to fixed assets, they shall be recognised in the cost of fixed assets, which will be recognised when relevant assets become ready for their intended use. The same amount as the expenditure will be offset against the special reserve and recorded as accumulated depreciation equivalent at the same time.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 — Other than Level 1 inputs based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly;

Level 3 — Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation on each balance sheet date.

33. Asset securitisation

The Group has securitised certain receivables (the "trust property"), and transferred the certain receivables to a structured entity, which issues priority/inferior asset-backed securities to investors. After settling trust tax liabilities and related fees, the trust property is utilised to service the principal and interest of the priority asset-backed securities first, with any remaining trust property after the full repayment of principal and interest allocated as income for the inferior asset-backed securities held by their respective investors.

For the securitisation business of financial assets, the Group initially assesses whether consolidation of the structured entity is necessary based on ownership stake, performance incentives received, and control exerted. If the Group retains contractual rights to receive cash flows from a financial asset but also assumes obligations to pass these cash flows on to one or more ultimate recipients under specific conditions – namely: The Group only being obligated to pay equivalent cash flows when received; The Group being prohibited from selling or pledging the financial asset while able to use it as collateral for payment obligations; The Group and being required to promptly transfer all collected cash flows without significant delay – then accounting treatment will be determined according to risk exposure and remuneration associated with assets will be transferred to other entities in accordance with Note III.10. Otherwise, recognition of transferred financial assets will remain unchanged. The Group is obligated to make payment of the financial asset to the ultimate recipient only upon receipt of an equivalent cash flow from the financial asset. The terms of the transfer contract prohibit the Group from selling or mortgaging the financial asset, except the Group may utilise it as a guarantee for fulfilling cash flow obligations to the ultimate recipient. Furthermore, it is mandatory for the Group to promptly transfer all cash flows received on behalf of the ultimate recipient to them without any significant delay.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that will affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at each balance sheet date. However, uncertainty about these assumptions and estimates may result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities in the future.

34.1 Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Performance progress of construction contract

The Group determines the performance progress of the construction contract according to the input method. Specifically, the Group determines the performance progress according to the proportion of the accumulated actual construction cost in the estimated total cost. The accumulated actual cost includes the direct cost and indirect cost incurred in the process of the Group transferring goods to customers. The construction contract price with the customer is determined based on the construction cost. The proportion of the actual construction cost to the estimated total cost can truly reflect the performance progress of the construction service. In view of the long lifetime of the construction contract and the possibility of spanning several accounting periods, the Group will review and revise the budget with the progress of the construction contract, and adjust the revenue recognition amount accordingly.

Business model

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods to include evaluation and report financial asset performance to key management, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics, and the judgements on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, including when assessing the modification of the time value of money, the judgement on whether there is any significant difference from the benchmark cash flow and whether the fair value of the prepayment features is insignificant for financial assets with prepayment features, etc.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

34.1 Judgements (Continued)

Equity instruments

Equity instruments such as perpetual bonds issued by the Group do not need to be settled by the Group's own equity instruments, excluding the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potential adverse conditions. Therefore, the Group calculates them as other equity instruments.

Revenue from sales of real estate

According to the accounting policies described in Note III. 25, the Group recognizes the revenue at the point which the customer obtains physical ownership and when the Group has acquired the current collection right and is likely to recover the consideration.

When the Group signs a sales contract with a property buyer, according to the requirements of some banks, if the buyer needs to buy a house on mortgage, the Group will enter into a tripartite mortgage guarantee loan agreement with the buyer and the bank. The Group will provide phased joint liability guarantee for mortgage loan issued by bank to the property buyer. The phased joint liability guarantee will be released after the property buyer has completed the house ownership certificate and completed the real estate mortgage registration procedures. The Group only needs to provide guarantee to the bank for the outstanding mortgage loan of the buyer within the guarantee period. The bank will only claim against the Group if the buyer defaults and fails to repay the mortgage loan.

According to the Group's historical experience in selling similar developed products, the Group believes that during the period of phased joint liability guarantee, the ratio of the Group's guarantee liability to the bank due to the buyer's failure to repay the mortgage loan is very low, and the Group can claim the advance payment paid by the buyer for undertaking the guarantee of phased joint liability. In the case of non-repayment by the buyer, the Group can avoid loss by giving priority to the relevant property according to the relevant purchase contract. Therefore, the Group believes that the financial guarantee has no significant impact on the recognition of sales revenue of development products.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

34.2 Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of financial instruments and contract assets

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The Group is required to perform significant judgements and estimations and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the impairment allowance may also not be representative of the actual impairment loss in the future.

Impairment of non-current assets other than financial assets (other than goodwill)

The Group assesses whether there are any indications of impairment for all non-current assets other than financial assets at the end of the reporting period. Intangible assets with indefinite useful lives are tested for impairment annually and at other times when such an indication exists. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. The calculation of the fair value less costs of disposal based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. When the calculations of the present value of the future cash flows expected to be derived from an asset or asset group are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. Testing the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

34.2 Estimation uncertainty (Continued)

Fair value of unlisted equity investments

For a part of unlisted equity investments, the Group adopts the market For a part of unlisted equity investments, the Group adopts the market approach to estimate the fair value, which involves choosing comparable companies and market multiples and estimating the liquidity discount rate. Therefore, it is subject to uncertainty. For all the other unlisted equity investments, the Group estimates the fair value through the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence they are subject to uncertainty.

Construction and service contracts

Recognition of revenue and expenses from construction and service contracts requires management to make relevant estimates. If losses are expected to occur in construction and service contracts, such losses should be recognised as current costs. The management of the Group estimates the possible losses based on the construction and service contract budget. Due to the characteristics of housing construction, infrastructure construction, and design businesses, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in each contract budget as the contract progresses.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement from the management is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Confirmation and allocation of properties under development

The cost of real estate construction is recorded as inventory during the construction period, and will be carried forward to the income statement after real estate sales revenue is confirmed. Before the final settlement of project costs and other related real estate development costs, such costs need to be estimated by the management of the Group based on budgeted costs and development progress. The Group's real estate development is generally carried out in stages, and the cost directly related to the development of a certain period is recorded as the cost of that period. The common costs of different stages are allocated to each stage according to the saleable area. If the final settlement of the project cost and the related cost allocation are different from the initial estimate, the increase or decrease of the project cost and other costs will affect the profit and loss in the future years.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

34.2 Estimation uncertainty (Continued)

Inventory impairment

The Group's inventory is measured at the lower of cost and net realisable value. The net realisable value of inventory refers to the estimated selling price of the inventory minus the estimated cost, estimated selling expenses and relevant taxes and fees at the time of completion. The management's calculation of the net realisable value of inventories involves the estimation of estimated selling prices, estimated costs to be incurred by the time of completion, estimated selling expenses and relevant taxes. Changes in these estimates will affect the book value of inventories and the profit and loss of future changes.

Useful lives and residual values of fixed assets

After considering the residual value of the fixed assets, the Group accrues depreciation within the estimated useful life. The Group regularly reviews the After considering the residual value of the fixed assets, the Group accrues depreciation within the estimated useful life. The Group regularly reviews the estimated useful life and residual value of related assets to determine the amount of depreciation expenses that will be included in each reporting period. The useful life and residual value of assets are determined by the Group based on the past experience of similar assets and combined with expected technological changes. If the previous estimate changes significantly, the depreciation expense will be adjusted in the future period.

Contingent liabilities arising from litigation and claims

The Group is involved in a number of litigation and claims in respect of certain construction work performed at present and in the past. Contingent liabilities arising from these litigation and claims have been assessed by management with reference to legal advice. Provisions on the probable obligations have been made based on management's best estimates and judgments.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

34.2 Estimation uncertainty (Continued)

Amortisation of concession rights of highways

If the assets under the concession arrangement acquired by the Group's participating in the construction of the highway are applicable to intangible asset model, the concession rights are amortised at the early stage of operation period based on expected realisation approach of associated economic benefits using traffic volume method or straight-line method. In the case of traffic volume method amortisation (namely, calculating the total annual amortisation amount based on the percentage of actual traffic volume in the current period in the estimated total traffic volumes), amortisation calculation is initiated since the operation of the relevant turnpike highways.

The Group's management made judgments on the proportion of actual traffic volume in the total estimated traffic volume. Where the difference between the actual amount and the estimation is substantial, the management will re-estimate the total estimated traffic volume based on the actual traffic volume and adjust the amortisation of annual provisions for standard traffic volumes in subsequent years.

35. Changes in accounting policies and accounting estimates

(1) Changes in accounting policies

During the reporting period, there were no significant changes in accounting policies.

(2) Changes in accounting estimates

During the reporting period, there were no significant changes in accounting estimates.

IV. TAXATION

1. Major categories of taxes and respective tax rates

Category	Tax Basis	Tax rate
Value-added tax ("VAT")	Taxable income is calculated at the tax rate corresponding to that of output tax, and the value-added tax is calculated on the basis of the difference deducing the input tax allowance for the current period.	3%, 6%, 9%, 13%
City maintenance and construction tax ("CCT")	Based on the actual VAT and circulation tax payment	1%, 5%, 7%
Enterprise income tax ("EIT")	Taxable income	All enterprises are subject to EIT at 25% except for some domestic subsidiaries qualified for tax preferential (Note IV. 2) and overseas subsidiaries that are subject to EIT in accordance with the local tax laws applicable to the jurisdictions where the companies were registered.
Educational surcharge	Based on the actual VAT and circulation tax payment	3%
Local educational surcharge	Based on the actual VAT and circulation tax payment	2%
Land appreciation tax ("LAT")	Based on the appreciation amount arising from the transfer of properties and the extra progressive tax rate	Extra progressive tax rates: 30%, 40%, 50%, 60%
Property Tax	The portion payable under ad valorem assessment (based on original property value) or the portion payable under assessment by reference to rental income	Ad valorem assessment (based on original property value): 1.2% Assessment by reference to rental income: 12%

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates

The entities subject to different enterprise income tax rates are as follows:

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group 6th Engineering Co., Ltd. (中鐵十一局集團第六工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway 11th Bureau Group Construction and Development Co., Ltd. (中鐵十一局集團建設發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group 1st Engineering Co., Ltd. (中鐵十一局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group 2nd Engineering Co., Ltd. (中鐵十一局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group 3rd Engineering Co., Ltd. (中鐵十一局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group 4th Engineering Co., Ltd. (中鐵十一局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group City Rail Engineering Co., Ltd. (中鐵十一局集團城市軌道工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group New Materials Technology Co., Ltd. (中鐵十一局集團新材料科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 11th Bureau Group Electrical Engineering Co., Ltd. (中鐵十一局集團電務工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group Hanjiang Heavy Industry Co., Ltd. (中鐵十一局集團漢江重工有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group Construction Installation Engineering Co., Ltd. (中鐵十一局集團建築安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group 5th Engineering Co., Ltd. (中鐵十一局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group Xizang Engineering Co., Ltd. (中鐵十一局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group Xi'an Construction Co., Ltd. (中鐵十一局集團西安建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group East China Construction Co., Ltd. (中鐵十一局集團華東建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group 2nd Engineering Co., Ltd. (中鐵十二局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group 3rd Engineering Co., Ltd. (中鐵十二局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group 7th Engineering Co., Ltd. (中鐵十二局集團第七工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 12th Bureau Group Electrification Engineering Co., Ltd. (中鐵十二局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十二局集團建築安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group 1st Engineering Co., Ltd. (中鐵十二局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
International Engineering Co., Ltd. of China Railway 12th Bureau Group (中鐵十二局集團國際工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Municipal Engineering Co., Ltd. of China Railway 12th Bureau Group (中鐵十二局集團市政工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group Shanxi Construction Components Co., Ltd. (中鐵十二局集團山西建築構件有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway 12th Bureau Group 4th Engineering Co., Ltd. (中鐵十二局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 12th Bureau Group (Tibet) Engineering Co., Ltd. (中鐵十二局集團(西藏)工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 12th Bureau Group Hanzhong Xudong Engineering Co., Ltd. (中鐵十二局集團漢中旭東工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Bridge Engineering Bureau Group 5th Engineering Co., Ltd. (中鐵建大橋工程局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Bridge Engineering Bureau Group Construction Assembly Technology Co., Ltd. (中鐵建大橋工程局集團建築裝配科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Jinqiao Engineering Testing Co., Ltd. (中鐵津橋工程檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Modern Survey and Design Institute Co., Ltd. (中鐵現代勘察設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Bridge Engineering Group Electrification Engineering Co., Ltd. (中鐵建大橋工程局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Bridge Engineering Bureau Group Jingjiang Heavy Industry Co., Ltd. (中鐵建大橋工程局集團靖江重工有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 14th Bureau Group 1st Engineering Development Co., Ltd. (中鐵十四局集團第一工程發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Electrification Engineering Co., Ltd. (中鐵十四局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Tiezheng Testing Technology Co., Ltd. (鐵正檢測科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Shandong Zhengheng New Material Technology Co., Ltd. (山東正珩新材料科技有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group 3rd Engineering Co., Ltd. (中鐵十四局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group 4th Engineering Co., Ltd. (中鐵十四局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Shandong Civil Air Defense Architectural Design Institute Co., Ltd. (山東省人民防空建築設計院有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十四局集團隧道工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Construction Technology Co., Ltd. (中鐵十四局集團建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 14th Bureau Construction Engineering Co., Ltd. (中鐵十四局集團建築工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Yellow River Construction Technology Co., Ltd. (中鐵十四局集團黃河建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
CRCC North-China Construction Technology Co., Ltd. (中鐵建華北建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Qingdao Engineering Co., Ltd. (中鐵十四局集團青島工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway 14th Bureau Group Housing and Bridge Co., Ltd. (中鐵十四局集團房橋有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Shield Tunneling Co., Ltd. (中鐵十四局集團大盾構有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Fangqiao Yinlong (Tianjin) Rail Technology Co., Ltd. (中鐵房橋銀龍(天津)軌道科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Nanjing Urban Construction Fangqiao Construction Technology Co., Ltd. (南京城建房橋建築科技有限公司)	15%	25%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Chongqing Construction Technology Co., Ltd. (中鐵建重慶建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 14th Bureau Group Qingdao Engineering Construction Co., Ltd. (中鐵十四局集團青島工程建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Equipment Co., Ltd. (中鐵十四局集團裝備有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises,, expire at the end of 2027.
China Railway 15th Bureau Group 3rd Engineering Co., Ltd. (中鐵十五局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 15th Bureau Group 5th Engineering Co., Ltd. (中鐵十五局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Henan Sitong Engineering Testing Co., Ltd. (河南四通工程檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 15th Bureau Group 1st Engineering Co., Ltd. (中鐵十五局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 15th Bureau Group Tibet Engineering Co., Ltd (中鐵十五局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 16th Bureau Group Co., Ltd. (中鐵十六局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 16th Bureau Group 1st Engineering Co., Ltd. (中鐵十六局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 16th Bureau Group 2nd Engineering Co., Ltd. (中鐵十六局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 16th Bureau Group 3rd Engineering Co., Ltd. (中鐵十六局集團第三工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway 16th Bureau Group 4th Engineering Co., Ltd. (中鐵十六局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group Electrification Engineering Co., Ltd. (中鐵十六局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group 5th Engineering Co., Ltd. (中鐵十六局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 16th Bureau Group Railway Transportation Engineering Co., Ltd. (中鐵十六局集團鐵運工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 16th Bureau Group Tibet Engineering Co., Ltd. (中鐵十六局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 17th Bureau 3rd Engineering Co., Ltd. (中鐵十七局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 17th Bureau 5th Engineering Co., Ltd. (中鐵十七局集團第五工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 2)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 17th Bureau Group Electrification Engineering Co., Ltd. (中鐵十七局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 17th Bureau Municipal Construction Co., Ltd. (中鐵十七局集團市政建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 17th Bureau Group (Guangzhou) Construction Co., Ltd. (中鐵十七局集團(廣州)建設有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway 17th Bureau 2nd Engineering Co., Ltd. (中鐵十七局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 17th Bureau 4th Engineering Co., Ltd. (中鐵十七局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 17th Bureau Group Tibet Engineering Co., Ltd. (中鐵十七局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 18th Bureau Group 1st Engineering Co., Ltd. (中鐵十八局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group 2nd Engineering Co., Ltd. (中鐵十八局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 18th Bureau Group 3rd Engineering Co., Ltd. (中鐵十八局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 18th Bureau Group 4th Engineering Co., Ltd. (中鐵十八局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 18th Bureau Group 5th Engineering Co., Ltd. (中鐵十八局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 18th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十八局集團建築安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 18th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十八局集團隧道工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group Pumping Co., Ltd. (中鐵十八局集團泵業有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises s, expire at the end of 2027.
China Railway 19th Bureau Group Co., Ltd. (中鐵十九局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group Rail Transit Engineering Co., Ltd. (中鐵十九局集團軌道交通工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group Mining Investment Co., Ltd. (中鐵十九局集團礦業投資有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group 1st Engineering Co., Ltd. (中鐵十九局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group 3rd Engineering Co., Ltd. (中鐵十九局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 19th Bureau Group 5th Engineering Co., Ltd. (中鐵十九局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 19th Bureau Group 6th Engineering Co., Ltd. (中鐵十九局集團第六工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group East China Engineering Co., Ltd. (中鐵十九局集團華東工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group Corporation Electric Engineering Co., Ltd. (中鐵十九局集團電務工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group Guangzhou Engineering Co., Ltd. (中鐵十九局集團廣州工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group Tibet Engineering Co., Ltd. (中鐵十九局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Urban Construction Transportation Development Co., Ltd. (中鐵建城建交通發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Building and Installing Engineering Design Institute Co., Ltd. (中鐵建安工程設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 20th Bureau Group 4th Engineering Co., Ltd. (中鐵二十局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Technology Testing Co., Ltd. (中鐵建科檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 20th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group 6th Engineering Co., Ltd. (中鐵二十局集團第六工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.; The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Guizhou Engineering Co., Ltd. (中鐵貴州工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group 5th Engineering Co., Ltd. (中鐵二十局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 20th Bureau Group Electrification Engineering Co., Ltd. (中鐵二十局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group Municipal Engineering Co., Ltd. (中鐵二十局集團市政工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Qinyu Property Management Co., Ltd. (重慶秦渝物業管理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 2nd Engineering Co., Ltd. (中鐵二十一局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027; The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group Electric and Chemical Engineering Co., Ltd. (中鐵二十一局集團電務電化工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
Western Railway Construction Engineering Materials Technology Co., Ltd. (西部鐵建工程材料科技有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 21st Bureau Group 1st Engineering Co., Ltd. (中鐵二十一局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027;The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 3rd Engineering Co., Ltd. (中鐵二十一局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 4th Engineering Co., Ltd. (中鐵二十一局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 5th Engineering Co., Ltd. (中鐵二十一局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵二十一局集團路橋工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway Jingcheng Engineering Testing Co., Ltd. (中鐵京誠工程檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 22nd Bureau Group 1st Engineering Co., Ltd. (中鐵二十二局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 22nd Bureau Group 2nd Engineering Co., Ltd. (中鐵二十二局集團第二工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 2)
China Railway 22nd Bureau Group Electrification Engineering Co., Ltd. (中鐵二十二局集團電氣化工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway 22nd Bureau Group 4th Engineering Co., Ltd. (中鐵二十二局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Heilongjiang Tiecheng Engineering Testing Co., Ltd. (黑龍江鐵誠工程檢測有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 22nd Bureau Group 5th Engineering Co., Ltd. (中鐵二十二局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group 1st Engineering Co., Ltd. (中鐵二十三局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 23rd Bureau Group 4th Engineering Co., Ltd. (中鐵二十三局集團第四工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, valid until 2025. *(Note 1)*
China Railway 23rd Bureau Group Construction Design Institute Co., Ltd. (中鐵二十三局集團建築設計研究院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 23rd Bureau Group Electric Engineering Co., Ltd. (中鐵二十三局集團電務工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 23rd Bureau Group (Hubei) Blasting Co., Ltd. (中鐵二十三局集團(湖北)爆破有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 23rd Bureau Group Rail Transit Engineering Co., Ltd. (中鐵二十三局集團軌道交通工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway 23rd Bureau Group 6th Engineering Co., Ltd. (中鐵二十三局集團第六工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group 3rd Engineering Co., Ltd. (中鐵二十三局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group Tibet Engineering Co., Ltd. (中鐵二十三局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group Rail Transit Sichuan Engineering Co., Ltd. (中鐵二十三局集團軌道交通四川工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
West Railway Construction (Shaanxi) Co., Ltd. (西鐵建設（陝西）有限公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Sichuan Tieruixin Engineering Inspection Technology Co., Ltd. (四川鐵銳信工程檢測技術有限公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway 24th Bureau Group Shanghai Electrification Co., Ltd. (中鐵二十四局集團上海電務電化有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
Shen Tie Fang Yuan Inspection Technology Co., Ltd. (申鐵方圓檢測科技有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway 24th Bureau Group Jiangsu Construction Co., Ltd. (中鐵二十四局集團江蘇工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
Fuzhou Minlong Railway Engineering Co., Ltd. (福州閩龍鐵路工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025 (Note 1).
China Railway 25th Bureau Group 1st Engineering Co., Ltd. (中鐵二十五局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十五局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十五局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway 25th Bureau Group 4th Engineering Co., Ltd. (中鐵二十五局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway 25th Bureau Group 5th Engineering Co., Ltd. (中鐵二十五局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group Electric Engineering Co., Ltd. (中鐵二十五局集團電務工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Liuzhou Railway Engineering Quality Testing Center Co., Ltd. (柳州鐵路工程品質檢測中心有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
Guangzhou Tiecheng Engineering Inspection Co., Ltd. (廣州鐵誠工程品質檢測有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway 25th Bureau Group (Ganzhou) Engineering Co., Ltd.中鐵二十五局集團(贛州)工程有限公司	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Group Infrastructure Construction Co., Ltd. (中鐵建設集團基礎設施建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway Construction Group Electromechanical Installation Co., Ltd. (中鐵建設集團機電安裝有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
Beijing CRCC Installation Engineering Co., Ltd. (北京中鐵安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Group South Engineering Co., Ltd. (中鐵建設集團南方工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Beijing CRCC Decoration Engineering Co., Ltd. (北京中鐵裝飾工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Group Beijing Engineering Co., Ltd. (中鐵建設集團北京工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Beijing China Railway Construction Technology Co., Ltd. (北京中鐵建建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Group East China Engineering Co., Ltd. (中鐵建設集團華東工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Group North China Engineering Co., Ltd. (中鐵建設集團華北工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Group Central-south China Construction Co., Ltd. (中鐵建設集團中南建設有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway Construction Group Xi'an Engineering Co., Ltd. (中鐵建設集團西安工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Development (Hainan) Co., Ltd. (中鐵建設建築發展(海南)有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group Co., Ltd. (中國鐵建電氣化局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
Beijing CRCC Electrification Design Institute Co., Ltd. (北京中鐵建電氣化設計研究院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group 1st Engineering Co., Ltd. (中鐵建電氣化局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group 2nd Engineering Co., Ltd. (中國鐵建電氣化局集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Electrification Bureau Group 3rd Engineering Co., Ltd. (中鐵建電氣化局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group 5th Engineering Co., Ltd. (中國鐵建電氣化局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group Science and Technology Co., Ltd. (中鐵建電氣化局集團科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group Metro Engineering Machinery Co., Ltd. (中鐵建電氣化局集團軌道交通器材有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group Operation Management Co., Ltd. (中鐵建電氣化局集團運營管理有限公司)	15%	25%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group South Engineering Co., Ltd. (中鐵建電氣化局集團南方工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group 4th Engineering Co., Ltd. (中鐵建電氣化局集團第四工程有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*
China Railway Construction Electrification Bureau Group Kang Yuan New Material Co., Ltd. (中鐵建電氣化局集團康遠新材料有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. *(Note 1)*

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Electrification Bureau Group North Engineering Co., Ltd. (中鐵建電氣化局集團北方工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Group Xi'an Zhida Co., Ltd. (中鐵建電氣化局集團西安智達有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028;The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
CRCC Harbour and Channel Engineering Bureau Group Survey & Design Institute Co., Ltd. (中鐵建港航局集團勘察設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group Co., Ltd. (中鐵城建集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Urban Construction Group 1st Engineering Co., Ltd. (中鐵城建集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group 2nd Engineering Co., Ltd. (中鐵城建集團第二工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group 3rd Engineering Co., Ltd. (中鐵城建集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
Beijing Engineering Company Limited of China Railway Urban Construction Group (中鐵城建集團北京工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Urban Construction Group Nanchang Construction Co., Ltd. (中鐵城建集團南昌建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Urban Construction Group Urban Operation Services Co., Ltd. (中鐵城建集團城市運營服務有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Construction Group Construction Technology Co., Ltd. (中鐵城建集團建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway First Survey and Design Institute Group Co., Ltd. (中鐵第一勘察設計院集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway First Survey and Design Institute (Shaanxi) Engineering Construction Co., Ltd. (中鐵一院(陝西)工程建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Xi'an Runtong Digital Technology Co., Ltd. (西安潤通數字科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Lanzhou Railway Design Institute Co., Ltd. (蘭州鐵道設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Xi'an Yidi Weike Intelligent Technology Co., Ltd. (西安益迪惟科智能科技有限責任公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Railway SIYUAN (Hubei) Engineering Supervision Consulting Co., Ltd. (鐵四院（湖北）工程監理諮詢有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Wuhan Railway SIYUAN Engineering Consulting Co., Ltd. (武漢鐵四院工程諮詢有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
China Railway SIYUAN Survey and Design Group Nanning Survey and Design Institute Co., Ltd. (中鐵四院集團南寧勘察設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway SIYUAN Survey and Design Group Southwest Survey and Design Institute Co., Ltd. (鐵四院集團西南勘察設計有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway SIYUAN Survey and Design Group New Type Rail Transit Design & Research Co., Ltd. (中鐵四院集團新型軌道交通設計研究有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Haixia (Fujian) Transportation Engineering Design Co., Ltd. (海峽（福建）交通工程設計有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Guangzhou Designing Institute Co., Ltd. (廣東省鐵路規劃設計研究院有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway SIYUAN Survey and Design Group Operation and Maintenance Co., Ltd. (中鐵四院集團工程運維有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Tiesiyuan Wuhan Testing Technology Co., Ltd. (鐵四院武漢檢測技術有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Beijing Tieyan Construction Supervision Co., Ltd. (北京鐵研建設監理有限責任公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Beijing China Railway Ecological Environment Design Institute Co., Ltd. (北京中鐵生態環境設計院有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 2)
Beijing Railway Fifth Group Engineering Machinery Co., Ltd. (北京鐵五院工程機械有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Beijing Tiecheng GIGNA Engineering Testing Co., Ltd. (北京鐵城檢測認證有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
China Railway Construction Engineering General Contracting (Beijing) Co., Ltd. (中鐵建工程總承包(北京)有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 2)
Beijing Tiecheng Engineering Consulting Co., Ltd. (北京鐵城工程諮詢有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
Quzhou Communication Design Co., Ltd. (衢州市交通設計有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Shanghai Xianxing Construction Supervision Co., Ltd. (上海先行建設監理有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Hangzhou Railway Design Institute Co., Ltd. (杭州鐵路設計院有限責任公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)
Nanchang Railway Survey and Design Institute Co., Ltd. (南昌鐵路勘測設計院有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Shanghai Design Institute Group Hefei Co., Ltd. (中鐵上海設計院集團合肥有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Zhuzhou China Railway Electric Materials Co., Ltd. (株洲中鐵電氣物資有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
China Railway Longchang Materials Co., Ltd. (中鐵隆昌鐵路器材有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Heavy Industry Xinjiang Co., Ltd. (鐵建重工新疆有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway CCECC Fuzhou Survey & Design Institute Co., Ltd. (中土集團福州勘察設計研究院有限公司	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
CRCC Suzhou Traffic Design Research Institute Co., Ltd.中鐵建蘇州設計研究院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
CRCC High-Tech Equipment Corporation Limited (中國鐵建高新裝備股份有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Beijing Ruiweitong Engineering Machinery Co., Ltd. (北京瑞維通工程機械有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Chenghe RuiZheng Risk Management Consulting Co., Ltd. (誠合瑞正風險管理諮詢有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 2)
Pangu Cloud Chain (Tianjin) Digital Technology Co., Ltd. (盤古雲鏈(天津)數位科技有限公司)	15%	15%	The entity was entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2025. (Note 1)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction South China Construction (Guangzhou) High Tech Industry Co., Ltd. (中鐵建華南建設(廣州)高科技產業有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2027.
CRCC Kunlun Investment Group Co., Ltd. (中國鐵建昆侖投資集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Kunlun Metro Investment Construction Management Co., Ltd. (中鐵建昆侖地鐵投資建設管理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Yunnan Investment Co., Ltd. (中鐵建雲南投資有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Chengdu CRCC Kunlun Rail Engineering Co., Ltd. (成都中鐵建昆侖軌道工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Chengdu CRCC Chengzi Rail Transit Development Co., Ltd. (成都中鐵建成資軌道交通發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Chongqing Tiefa Suiyu Highway Co., Ltd. (重慶鐵發遂渝高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
CRCC Chongqing Investment Group Co., Ltd. (中鐵建重慶投資集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
CRCC Chongqing Petrochemical Sales Co., Ltd. (中鐵建重慶石化銷售有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
Chongqing Jinlu Traffic Engineering Co., Ltd. (重慶金路交通工程有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway Construction Kunlun Expressway Operation Management Co., Ltd. (中鐵建昆侖高速公路運營管理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway Construction Kunlun Road and Bridge Construction Co., Ltd. (中鐵建昆侖路橋建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
CRCC Ecological Environment Co., Ltd. (中鐵建生態環境有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high-tech enterprises, expire at the end of 2026.
Chongqing Wuzhen Expressway Co., Ltd. (重慶巫鎮高速公路有限公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Chongqing Yonglu Expressway Co., Ltd. (重慶永瀘高速公路有限公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Xuanwei City Jingyuan Environmental Governance Co., Ltd. (宣威市淨源環境治理有限公司	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Chongqing Zhongyou Tiejian Industrial Co., Ltd. (重庆中油铁建实业有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Chongqing Investment Group Industrial Development Co., Ltd. (中铁建重庆投資集团实业發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	For the year ended 31 December 2025	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction (Yinchuan) Urban Development Co., Ltd. (中铁建(银川)城市發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Tiefa Shuanghe Expressway Co., Ltd. (重慶鐵發雙合高速公路有限公司)	15%	/	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential corporate income tax policy for Enterprises in the Guangdong–Macao In-Depth Cooperation Zone in Hengqin
China Railway Construction Highway Operation Co., Ltd. (中鐵建公路運營有限公司)	15%	15%	The entity is entitled to enjoy the preferential corporate income tax policy for Enterprises in the Guangdong–Macao In-Depth Cooperation Zone in Hengqin
China Railway Highway China Petroleum (Sichuan) Energy Co., Ltd. (鐵建高速中油(四川)能源有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway Construction Guizhou Anshun-Ziyun Highway Co., Ltd. (中鐵建貴州安紫高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
China Railway Construction Chongqing Rail Transit Loop Line Construction Co., Ltd. (中鐵建重慶軌道環線建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030

IV. TAXATION (CONTINUED)

2. Preferential tax rates (Continued)

The entities subject to different enterprise income tax rates are as follows: (Continued)

	Preferential tax rate		
Company name	**For the year ended 31 December 2025**	For the year ended 31 December 2024	Preferential corporate income tax policy
China Railway Construction Sichuan Jianpu Expressway Co., Ltd. (中鐵建四川簡蒲高速公路有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030
Railway Construction Northwest Investment & Construction Co., Ltd. (中鐵建西北投資建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Guangzhou Nansha High-End Manufacturing Industry Park Development and Management Co., Ltd. (廣州南沙高端製造產業園開發管理有限公司)	**exempt from**	/	Benefiting from the preferential tax policies for environmental protection, expire at the end of 2028.
Guangzhou Qingsheng Industrial Park Development and Management Co., Ltd. (廣州慶盛產業園開發管理有限公司)	**50% reduction**	exempt from	Benefiting from the preferential tax policies for environmental protection, expire at the end of 2027.

Note 1: The entity has submitted the application materials for re-recognition as a high-tech enterprise and is awaiting review by the Department of Science and Technology, Department of Finance, and Tax Bureau. For the year ended 31 December 2025 the entity prepaid income tax at the preferential rate of 15% applicable to high-tech enterprises.

Note 2: The entity has not submitted the application materials for re-recognition as a high-tech enterprise. For the year ended 31 December 2025 the related tax incentives have expired.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

RMB'000

	31 December 2025	31 December 2024
Cash on hand	**79,044**	57,041
Cash at banks	**175,001,673**	169,253,199
Other cash and bank balances	**11,846,395**	11,149,207
Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**4,995,001**	5,243,668
Total	**191,922,113**	185,703,115
Including: Total amount of offshore deposits	**19,214,955**	15,001,504

The restricted cash and bank balances of the Group are stated in Note V. 27.

As at 31 December 2025, the Group held foreign cash and bank balances amounting to RMB19,214,955,000 (31 December 2024: RMB15,001,504,000), certain cash and bank balances deposited in certain countries or regions that were subject to foreign exchange control and not freely convertible into other currencies or remitted out of those countries. As at 31 December 2025, the Group's cash and bank balances denominated in foreign currencies which were deposited in aforesaid countries or regions represented less than 3% (31 December 2024: less than 3%) of the cash and bank balances in the Group's consolidated statement of financial position.

RMB'000

	31 December 2025	31 December 2024
Cash and bank balances at the end of the year	**191,922,113**	185,703,115
Less: Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**4,995,001**	5,243,668
Less: Other restricted cash and bank balances	**11,800,618**	11,116,121
Less: Non-pledged time deposits with original maturity of three months or more when acquired	**1,818,242**	1,971,706
Cash and cash equivalents at the end of the year	**173,308,252**	167,371,620

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets

RMB'000

	31 December 2025	31 December 2024
Equity instruments	**316,002**	500,592
Others	**690,285**	1,032,524
Total	**1,006,287**	1,533,116

3. Bills receivable

(1) Bills receivable classification

RMB'000

	31 December 2025	31 December 2024
Bank acceptance bills	**593,803**	289,620
Commercial acceptance bills	**2,245,643**	2,948,728
Subtotal	**2,839,446**	3,238,348
Less: Allowance for credit losses	**10,357**	12,904
Total	**2,829,089**	3,225,444

(2) Bills receivable endorsed to other parties or discounted but not yet due at the end of the reporting period

As at 31 December 2025, the Group had non-matured bills receivable of RMB987,073,000 (31 December 2024:RMB163,150,000) which had right of recourse and had been endorsed to other parties. The Group did not derecognise those bills receivable as the Group considered that all risks and rewards of the ownership had not been transferred from the endorsed bills receivable.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Bills receivable (Continued)

(3) Bills receivable and allowance for credit losses by category are listed as follows:

RMB'000

	31 December 2025				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	2,839,446	100	10,357	0.36	2,829,089

RMB'000

	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	3,238,348	100.00	12,904	0.40	3,225,444

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables

(1) An ageing analysis of trade receivables is listed as follows:

RMB'000

Item	31 December 2025	31 December 2024
Within 1 year	**199,054,604**	162,675,624
1 to 2 years	**27,886,195**	30,501,327
2 to 3 years	**16,225,349**	15,896,386
Over 3 years	**20,884,278**	16,130,548
Subtotal	**264,050,426**	225,203,885
Less: Allowance for credit losses	**23,026,474**	20,444,647
Total	**241,023,952**	204,759,238

(2) Trade receivables and allowance for credit losses by category are listed as follows:

31 December 2025

RMB'000

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	**32,974,353**	**12.49**	**13,955,146**	**42.32**	**19,019,207**
Allowance for credit losses assessed by credit risk portfolio	**231,076,073**	**87.51**	**9,071,328**	**3.93**	**222,004,745**
Total	**264,050,426**	**100.00**	**23,026,474**	**8.72**	**241,023,952**

31 December 2024

RMB'000

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	32,626,838	14.49	13,311,084	40.80	19,315,754
Allowance for credit losses assessed by credit risk portfolio	192,577,047	85.51	7,133,563	3.70	185,443,484
Total	225,203,885	100.00	20,444,647	9.08	204,759,238

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

As at 31 December 2025, trade receivables whose allowance for credit losses were assessed individually are listed as follows:

RMB'000

Company	31 December 2025 Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reasons	31 December 2024 Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Company 1	19,557,149	7,929,302	40.54	Note	15,816,998	6,159,833	38.94
Company 2	821,562	517,535	62.99	Note	830,517	504,696	60.77
Company 3	443,927	443,927	100.00	Note	455,079	339,189	74.53
Company 4	563,733	409,449	72.63	Note	600,322	302,658	50.42
Company 5	592,015	387,161	65.40	Note	575,639	386,645	67.17
Total	21,978,386	9,687,374	44.08		18,278,555	7,693,021	42.09

Note: The Group makes provisions for credit losses based on the expected recoverability of the amounts.

As at 31 December 2025, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

	Gross carrying amount	Allowance for credit losses Amount	Allowance for credit losses Percentage (%)
Portfolio 1	142,496,334	4,819,351	3.38
Portfolio 2	22,244,375	481,302	2.16
Portfolio 3	8,609,808	672,926	7.82
Portfolio 4	13,001,970	308,985	2.38
Portfolio 5	44,723,586	2,788,764	6.24
Total	231,076,073	9,071,328	3.93

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

Portfolio 1:

RMB'000

	As at 31 December 2025			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	117,985,254	82.81	1,459,537	1.24
1 to 2 years	13,613,969	9.55	801,354	5.89
2 to 3 years	6,618,790	4.64	829,933	12.54
Over 3 years	4,278,321	3.00	1,728,527	40.40
Total	142,496,334	100.00	4,819,351	3.38

Portfolio 2:

RMB'000

	As at 31 December 2025			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	19,698,100	88.55	137,498	0.70
1 to 2 years	1,774,168	7.98	90,245	5.09
2 to 3 years	478,022	2.15	82,127	17.18
Over 3 years	294,085	1.32	171,432	58.29
Total	22,244,375	100.00	481,302	2.16

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

Portfolio 3:

RMB'000

	As at 31 December 2025			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	5,388,479	62.59	48,057	0.89
1 to 2 years	1,983,081	23.03	95,142	4.80
2 to 3 years	491,575	5.71	58,343	11.87
Over 3 years	746,673	8.67	471,384	63.13
Total	8,609,808	100.00	672,926	7.82

Portfolio 4:

RMB'000

	As at 31 December 2025			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	9,516,774	73.19	58,067	0.61
1 to 2 years	1,656,020	12.74	44,121	2.66
2 to 3 years	1,653,479	12.72	135,384	8.19
Over 3 years	175,697	1.35	71,413	40.65
Total	13,001,970	100.00	308,985	2.38

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

Portfolio 5:

RMB'000

	As at 31 December 2025			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	36,489,672	81.59	613,913	1.68
1 to 2 years	4,092,335	9.15	296,260	7.24
2 to 3 years	2,096,602	4.69	343,685	16.39
Over 3 years	2,044,977	4.57	1,534,906	75.06
Total	44,723,586	100.00	2,788,764	6.24

(3) Credit losses for trade receivables

Movements in allowance for credit losses for trade receivables are listed as follows:

RMB'000

	Opening balance of the current year	Provision for the year	Reversal for the year	Write-off for the year	Others	Closing balance of current year
For the year ended 31 December 2025	20,444,647	5,442,111	(2,438,160)	(9,586)	(412,538)	23,026,474

In 2025, there were no significant recoveries, reversals or write-offs of the provision for impairment of trade receivables.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(4) Five entities with the largest balances of trade receivables and contract assets are listed as follows:

RMB'000

Company	Closing balance of trade receivables	Closing balance of contract assets	Total of closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets *(%)*	Closing balance of allowance for credit losses on trade receivables and contract assets
Company 1	22,356,286	38,872,485	61,228,771	7.26	1,005,726
Company 2	19,557,149	4,112,616	23,669,765	2.81	9,653,468
Company 3	9,285	13,050,059	13,059,344	1.55	70,627
Company 4	–	6,137,853	6,137,853	0.73	27,378
Company 5	296	4,273,258	4,273,554	0.51	21,358
Total	41,923,016	66,446,271	108,369,287	12.86	10,778,557

The Group's restricted accounts receivable are presented in Note V.27

As at 31 December 2025, the Group derecognised trade receivables of RMB46,894,899,000 (for the year ended 31 December 2024: RMB33,431,290,000) due to transfer of financial assets and recognised losses amounting to RMB1,813,049,000 from derecognition of financial assets. (for the year ended 31 December 2024: RMB1,508,406,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Receivables at fair value through other comprehensive income

RMB'000

	31 December 2025	31 December 2024
Bank acceptance bills	**1,129,124**	1,644,048

As at 31 December 2025, the Group had non-matured bills receivable of RMB1,588,555,000 (31 December 2024: RMB1,853,970,000) which had right of recourse and had been discounted or endorsed to other parties. The Group derecognised those bills receivable as the Group considered that all risks and rewards of the ownership had been transferred from the discounted or endorsed bills receivable since there was extremely low risk of the acceptor's inability to cash the bills upon expiry based on the acceptor's good reputation.

6. Advances to suppliers

(1) An ageing analysis of advances to suppliers is listed as follows:

RMB'000

	31 December 2025		31 December 2024	
	Gross carrying amount	Percentage *(%)*	Gross carrying amount	Percentage *(%)*
Within 1 year	**23,510,917**	**97.49**	22,722,875	98.33
1 to 2 years	**358,428**	**1.49**	215,876	0.93
2 to 3 years	**81,973**	**0.34**	128,659	0.56
Over 3 years	**163,268**	**0.68**	42,624	0.18
Total	**24,114,586**	**100.00**	23,110,034	100.00

(2) As at 31 December 2025, advances to the five largest suppliers are listed as follows:

RMB'000

Company name	Amount	Percentage of total advances to suppliers *(%)*
Total amount of the five largest prepayments to suppliers	**1,268,823**	5.26

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

(1) An aging analysis of other receivables is as follows:

RMB'000

	31 December 2025	31 December 2024
Within 1 year	**41,086,313**	43,082,559
1 to 2 years	**14,589,779**	12,510,236
2 to 3 years	**10,509,562**	5,558,155
Over 3 years	**12,825,948**	11,938,927
Subtotal	**79,011,602**	73,089,877
Less: Allowance for credit losses	**9,049,561**	7,264,462
Total	**69,962,041**	65,825,415

(2) Other receivables categorized by nature：

RMB'000

	31 December 2025	31 December 2024
Loans for cooperative development project	**36,295,026**	32,518,153
Security deposits and cash pledged	**16,546,702**	18,690,040
Advance payments	**11,519,640**	9,272,492
Others	**14,650,234**	12,609,192
Subtotal	**79,011,602**	73,089,877
Less: Allowance for credit losses	**9,049,561**	7,264,462
Total	**69,962,041**	65,825,415

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Disclosed by method of determining allowance for credit losses

RMB'000

	31 December 2025				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	5,947,441	7.53	3,661,975	61.57	2,285,466
Allowance for credit losses assessed by credit risk portfolio	73,064,161	92.47	5,387,586	7.37	67,676,575
Total	79,011,602	100.00	9,049,561	11.45	69,962,041

RMB'000

	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	7,353,685	10.06	3,348,397	45.53	4,005,288
Allowance for credit losses assessed by credit risk portfolio	65,736,192	89.94	3,916,065	5.96	61,820,127
Total	73,089,877	100.00	7,264,462	9.94	65,825,415

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Disclosed by method of determining allowance for credit losses (Continued)

Significant other receivables for which provision for credit losses is individually assessed are as follows:

RMB'000

Company	31 December 2025 Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reason	31 December 2024 Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Tianjin Wanhe Real Estate Co., Ltd.	2,454,672	943,172	38.42	Note	2,500,872	560,059	22.39
Guangzhou Suiyun Real Estate Co., Ltd.	935,809	366,820	39.20	Note	825,809	183,360	22.20
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	590,838	409,547	69.32	Note	599,557	374,376	62,44
Guangdong Dalong Enterprise Group Co., Ltd.	150,000	150,000	100.00	Note	150,000	150,000	100.00
Zhengzhou Tianzhong Development Co., Ltd.	118,947	118,947	100.00	Note	118,947	118,947	100.00
Total	4,250,266	1,988,486	46.78	–	4,195,185	1,386,742	33.06

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

At 31 December 2025, other receivables for which provision for credit losses is collectively assessed on a portfolio basis are as follows:

RMB'000

Ageing	Gross carrying amount	Allowance for credit losses	Proportion (%)
Within 1 year	40,789,832	204,373	0.50
1 to 2 years	14,475,055	916,267	6.33
2 to 3 years	9,098,956	1,367,683	15.03
Over 3 years	8,700,318	2,899,263	33.32
Total	73,064,161	5,387,586	7.37

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Disclosed by method of determining allowance for credit losses (Continued)

Movements in the allowance for credit losses of other receivables, based on 12-month expected credit losses and lifetime expected credit losses, are as follows:

RMB'000

	Phase 1 Future 12-month expected credit losses	Phase 2 Lifetime expected credit losses (Non-credit-impaired)	Phase 3 Lifetime expected credit losses (Credit–impaired)	Total
Opening balance of the current year	2,436,308	1,253,064	3,575,090	7,264,462
Opening balance reclassified during the period	(371,328)	26,454	344,874	–
Provision for the current year	1,085,002	695,395	856,334	2,636,731
Reversal for the current year	(425,320)	(187,709)	(141,229)	(754,258)
Write-off for the current year	(15,609)	(1,243)	(10,362)	(27,214)
Others	(38,790	7,207	(38,577)	(70,160)
Closing balance of the current year	2,670,263	1,793,168	4,586,130	9,049,561

(4) Credit losses for other receivables

Movements in the allowance for credit losses of other receivables are as follows:

RMB'000

	Opening balance	Provision for the Current year	Reversal for the Current year	Write-off for the Current year	Others	Closing balance
For the year ended 31 December 2025	7,264,462	2,636,731	(754,258)	(27,214)	(70,160)	9,049,561

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(5) As at 31 December 2025, top five entities with the largest balances of other receivables are as follows:

RMB'000

Company	Relationship with the Group	Closing balance	Percentage of Total balance of other receivables *(%)*	Nature	Aging	Allowance for credit losses
Beijing Xintexinjian Investment Co., Ltd.	Joint venture	2,579,308	3.26	Cooperative development funds	Within 2 years	2,579
Beijing Xinda Real Estate Co., Ltd.	Joint venture	2,564,516	3.25	Cooperative development funds	Within 3 years	76,484
Tianjin Wanhe Real Estate Co., Ltd.	Joint venture	2,454,672	3.11	Cooperative development funds	More than 5 years	943,172
Kinda (Group) Co., Ltd.	Third party	2,010,851	2.55	Cooperative development funds	Within 3 years	2,000
Guizhou Zhongguang Cultural and Creative City Real Estate Co., Ltd.	Joint venture	1,924,836	2.44	Cooperative development funds	Within 3 years	1,981
Total		11,534,183	14.61			1,026,216

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

(1) Inventory classification

RMB'000

	31 December 2025			31 December 2024		
	Gross carrying amount	Provision for decline in value	Carrying amount	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	26,240,888	35,644	26,205,244	20,534,538	34,771	20,499,767
Work in progress	5,960,757	17,886	5,942,871	5,846,026	20,868	5,825,158
Finished goods	8,686,426	94,781	8,591,645	7,693,800	97,062	7,596,738
Turnover materials	14,864,622	99,514	14,765,108	14,063,189	99,514	13,963,675
Properties under development *(3)*	135,331,606	2,028,446	133,303,160	164,973,827	1,435,764	163,538,063
Completed properties held for sale *(4)*	82,265,631	5,147,100	77,118,531	78,274,644	3,581,687	74,692,957
Total	273,349,930	7,423,371	265,926,559	291,386,024	5,269,666	286,116,358

(2) Movements in provision for impairment of inventories

RMB'000

Item	Opening balance	Additions		Reductions		Closing balance
		Provision	Others	Reversal	Write-off sand Others	
Raw materials	34,771	1,545	–	(544)	(128)	35,644
Work in progress	20,868	–	128	–	(3,110)	17,886
Finished goods	97,062	7,377	–	–	(9,658)	94,781
Turnover materials	99,514	–	–	–	–	99,514
Properties under development	1,435,764	837,297	–	(63,324)	(181,291)	2,028,446
Completed properties held for sale	3,581,687	2,030,352	183,888	(1,661)	(647,166)	5,147,100
Total	5,269,666	2,876,571	184,016	(65,529)	(841,353)	7,423,371

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(3) Details of the properties under development are as follows:

RMB'000

Project name	Construction commencement date	Estimated latest completion date	Estimated aggregate investment amount	31 December 2025	31 December 2024
Westlake Zunfu Project	October 2023	February 2026	9,211,714	**5,092,686**	–
CRCC Chongqing City Park Project	January 2022	June 2026	5,575,299	**3,270,887**	2,885,886
Chongqing Shanyu Taoyuan Project	June 2022	December 2026	5,088,377	**3,203,395**	2,875,371
Tiejian City Project	February 2022	November 2027	8,613,042	**3,020,983**	4,637,152
Tiejian City (Guiyang) Project	August 2020	December 2028	3,326,213	**2,934,328**	3,235,432
Shanghai West Lake Yunjian Project	June 2025	December 2027	5,000,000	**2,828,711**	–
XiPai Chenyue project	April 2020	December 2028	5,961,690	**2,814,842**	2,584,530
CRCC Guijiao Qinfengyasong Project	October 2023	December 2026	4,044,610	**2,546,126**	2,244,273
CRCC Huayu City Project	July 2020	January 2026	3,966,343	**2,498,856**	2,189,336
Taizhou Huangyan Dongpu Future Community Project	June 2022	January 2026	5,825,550	**2,453,434**	2,046,773
CRCC Guanshan Yundi project	May 2021	December 2027	4,110,430	**2,401,946**	2,362,750
Chengdu Jin Yue Xu Project	September 2025	September 2027	3,724,314	**2,291,621**	–
City Throne Project	January 2024	June 2026	3,217,885	**2,214,269**	6,667,144
Chengdu CRCC West Lake Lan'an Project	April 2014	March 2027	3,301,101	**2,169,267**	2,088,825
Lingxiu Mansion South Zone Project	December 2018	December 2026	3,009,388	**2,104,007**	2,891,559
Tianjin China Railway International City Project	January 2011	December 2029	3,724,000	**2,097,732**	2,020,922
XiPai Tianzhu and XiPai Tianfeng Projects	November 2024	March 2028	3,150,377	**2,064,694**	2,758,676
China Railway West Lake Lan'an Project	April 2022	December 2026	2,933,794	**2,049,932**	1,967,695
CRCC Huayu Shangcheng Project	March 2024	August 2026	3,278,220	**1,913,773**	1,092,082
CRCC Fengyu Xian'an Garden Project	November 2021	June 2026	2,497,639	**1,842,763**	1,827,224
Other projects	–	–	315,831,498	**83,517,354**	118,598,197
Total	–	–	405,391,484	**135,331,606**	164,973,827

As at 31 December 2025, The amount of interest expense capitalised in properties under development and completed properties held for sale was RMB22,585,387,000 (31 December 2024: RMB22,043,213,000). Borrowing costs capitalised for the year ended 31 December 2025 amounted to RMB4,403,235,000 (for the year ended 31 December 2024: RMB5,222,299,000). The capitalisation rates of borrowing costs ranged from 2.00% to 8.00% (for the year ended 31 December 2024: 2.10% to 7.00%).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(4) Details of the completed properties held for sale are as follows:

RMB'000

Project name	Latest completion date	1 January 2025 Gross carrying amount	Additions	Reductions	31 December 2025 Gross carrying amount
CRCC Huayutang Project	January 2025	1,294,016	2,682,851	980,307	2,996,560
Wenzhou Lucheng Future Community Project	November 2024	2,628,007	196,282	771,031	2,053,258
Chengdu XiPai Shanjing Project	December 2025	–	1,894,530	–	1,894,530
CRCC Xinda Huayu Tianchen Project	March 2025	986,913	1,510,326	627,053	1,870,186
City Throne Project	December 2025	–	5,320,507	3,453,414	1,867,093
CRCC Xipai Yujiang Project	April 2024	1,936,945	–	146,622	1,790,323
Changchun West Lake Tangsong Project	December 2025	953,251	1,527,935	760,848	1,720,338
Xin Xidu Project	November 2025	–	3,756,624	2,037,020	1,719,604
Guiyang CRCC International City Project	October 2024	1,962,209	–	269,099	1,693,110
Qingdao CRCC Plaza Project	March 2025	1,162,204	745,461	410,784	1,496,881
Tiejianmingxian Mansion Project	September 2025	–	2,072,116	722,866	1,349,250
XiPai Yiyuan Project	June 2025	–	2,024,506	690,342	1,334,164
Wutong Qianshan Project	June 2022	1,156,737	13,367	4,286	1,165,818
Chengdu Beihu Xinqu Project	December 2019	1,127,612		6,745	1,120,867
CRCC Chongqing Xipai City Project	December 2021	1,195,254	19,273	104,709	1,109,818
China Railway Yuanshidai Project	November 2025	–	1,836,630	733,428	1,103,202
Guoyin Wenyuan Project	February 2023	871,522	568,240	400,228	1,039,534
Florissa Project	August 2023	1,337,730	–	302,790	1,034,940
CRCC Future City Project	December 2023	1,157,093	24	160,090	997,027
Xintiandi international Washington Project	August 2023	1,003,929	51,220	71,839	983,310
Other projects	–	59,501,222	43,801,814	51,377,218	51,925,818
Total	–	78,274,644	68,021,706	64,030,719	82,265,631

The restricted inventories of the Group are stated in Note V. 27

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets

Contract assets are from the Group's construction operations. The Group provides construction services in accordance with the construction contract entered into with customers and recognises revenue based on performance progress over the contract period. According to the contract term, customers of the Group make progress billings with the Group based on the performance progress and make payment for the progress billings within the credit term. Revenue recognised based on performance progress in excess of progress billings is presented as contract asset, and is disclosed in contract assets/other non-current assets based on liquidity, while progress billings in excess of revenue recognised based on performance progress is presented as contract liabilities.

RMB'000

Item	31 December 2025	31 December 2024
Contract assets	380,654,177	310,952,504
Less: Provision for impairment losses on contract assets	6,302,413	6,202,878
Total	374,351,764	304,749,626

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows:

RMB'000

31 December 2025

Category	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	22,381,412	5.88	4,242,947	18.96	18,138,465
Provision for impairment of assets assessed by credit risk portfolio	358,272,765	94.12	2,059,466	0.57	356,213,299
Total	380,654,177	100.00	6,302,413	1.66	374,351,764

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows: (Continued)

RMB'000

31 December 2024

Category	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	24,426,629	7.86	4,509,706	18.46	19,916,923
Provision for impairment of assets assessed by credit risk portfolio	286,525,875	92.14	1,693,172	0.59	284,832,703
Total	310,952,504	100.00	6,202,878	1.99	304,749,626

Contract assets whose allowance for credit losses were assessed individually are listed as follows:

RMB'000

	31 December 2025				31 December 2024			
	Gross carrying amount	Provision for impairment of assets	Provision percentage (%)	Reason	Gross carrying amount	Gross Provision for carrying impairment	Provision percentage (%)	
Company 1	2,092,513	418,503	20.00	Note	1,941,465	356,147	18.34	
Company 2	1,446,462	569,626	39.38	Note	187,805	93,816	49.95	
Company 3	1,093,780	121,078	11.07	Note	137,118	132,216	96.42	
Company 4	561,607	117,938	21.00	Note	1,049,376	5,247	0.50	
Company 5	159,331	159,331	100.00	Note	635,220	3,176	0.50	
Total	5,353,693	1,386,476	25.90		3,950,984	590,602	14.95	

Note: The Group provides construction engineering services to the companies. Due to the fact that the companies' funds are not expected to be sufficient for the settlement of some contract assets, corresponding impairment provisions have been made.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows: (Continued)

As at 31 December 2025, contract assets whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

	Gross carrying amount	Provision for impairment of assets	Provision percentage *(%)*
Portfolio 1	305,161,512	1,532,851	0.50
Portfolio 2	13,171,956	228,337	1.73
Portfolio 3	6,777,758	29,540	0.44
Portfolio 4	33,161,539	268,738	0.81
Total	358,272,765	2,059,466	0.57

(2) Movements in allowance for credit losses for contract assets are listed as follows:

RMB'000

	Opening balance of the current year	Provision for the year	Reversal for the year	Write-off for the year	Others	Closing balance of current year
For the year ended 31 December 2025	6,202,878	1,500,843	(877,987)	(509,058)	(14,263)	6,302,413

In 2025, there were no significant recoveries, reversals or write-offs of the impairment provisions for contract assets.

The restricted trade receivables of the Group are stated in Note V. 27.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Current portion of non-current assets

RMB'000

	31 December 2025	31 December 2024
Current portion of long-term receivables *(Note V. 15)*	**22,990,506**	22,542,952
Current portion of retention receivables *(Note V. 26)*	**12,878,528**	9,741,899
Other debt investments due within one year *(Note V. 14)*	**10,765**	–
Total	**35,879,799**	32,284,851

11. Other current assets

RMB'000

Item	31 December 2025	31 December 2024
Prepaid taxes and VAT input to be deducted	**24,287,661**	23,260,649
Reverse repurchase of treasury bonds	**2,999,970**	4,999,960
Interbank negotiable certificates of deposit	**6,959,698**	4,968,995
Others	**2,289,139**	1,793,926
Total	**36,536,468**	35,023,530

12. Loans and advances to customers

RMB'000

	31 December 2025	31 December 2024
Loans and advances to customers	**1,448,700**	1,178,416
Less: Provision for impairment losses on loans and advances to customers	**43,989**	38,215
Total	**1,404,711**	1,140,201

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Debt investments

RMB'000

	31 December 2025			31 December 2024		
	Gross carrying amount	Allowance for credit losses	Carrying amount	Gross carrying amount	Allowance for credit losses	Carrying amount
Long term loans receivable	6,339,086	3,093,160	3,245,926	7,037,400	3,155,825	3,881,575
Including:Total debt investments due after one year	6,339,086	3,093,160	3,245,926	7,037,400	3,155,825	3,881,575

The changes in the provision for impairment of debt investments are as follows:

RMB'000

	Opening balance of the current year	Provision for the year	Reversal for the year	Others	Closing balance of current year
For the year ended on 31 December 2025	3,155,825	44,801	(397)	(107,069)	3,093,160

RMB'000

	Phase 1 Future 12-month expected credit losses	Phase 3 Lifetime expected credit losses (Credit–impaired)	Total
Opening balance of the current year	8,361	3,147,464	3,155,825
Provision for the year	1,030	43,771	44,801
Reversal for the year	(380)	(17)	(397)
Others	–	(107,069)	(107,069)
Closing balance of the current year	9,011	3,084,149	3,093,160

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Debt investments (Continued)

RMB'000

	31 December 2025				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage *(%)*	Amount	Provision percentage *(%)*	Carrying amount
Provision for impairment of assets assessed individually	3,889,820	61.36	3,084,149	79.29	805,671
Provision for impairment of assets assessed by credit risk portfolio	2,449,266	38.64	9,011	0.37	2,440,255
Total	6,339,086	100.00	3,093,160	48.80	3,245,926

RMB'000

	31 December 2024				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage *(%)*	Amount	Provision percentage *(%)*	Carrying amount
Provision for impairment of assets assessed individually	4,735,274	67.29	3,147,464	66.47	1,587,810
Provision for impairment of assets assessed by credit risk portfolio	2,302,126	32.71	8,361	0.36	2,293,765
Total	7,037,400	100.00	3,155,825	44.84	3,881,575

For the year ended 31 December 2025, debt investments written off amounted to nil (2024: Nil). As at 31 December 2025, the Group's significant debt investments were as follows:

A subsidiary of the Group had entered into an agreement for an interest-bearing loan with an associate company, and recognised a debt investment with a gross carrying amount of RMB2,927,340,000 (31 December 2024: RMB2,927,357,000). Due to the debt default of this customer, the subsidiary of the Group recognised full provision of impairment through default exposure at the life-time expected credit loss rate.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Other Debt investment

	1 January 2025	Increase in investment	Decrease in investment	Interest Adjustment	Fair value changes for the year	31 December 2025	Investment cost	Cumulative fair value changes	Impairment provisions recognized in other comprehensive income on a cumulative basis
Government bond	–	9,000,000	(5,500,000)	269,121	(188,989)	3,580,132	3,500,000	(188,989)	–

At 31 December 2025, the interest receivable on Government bond of RMB 10,765,000 will mature within one year and has been included in non-current assets due within one year *(Notes V .10)*

15. Long-term receivables

(1) Long-term receivables

RMB'000

	31 December 2025			31 December 2024		
	Gross carrying amount	Allowance for credit losses	Carrying amount	Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term project receivables	123,883,848	3,009,842	120,874,006	102,067,402	2,554,178	99,513,224
PPP project receivables	11,668,205	121,535	11,546,670	9,312,650	81,856	9,230,794
Primary land development receivables	26,185,248	194,331	25,990,917	26,845,072	217,767	26,627,305
Others	29,279,308	1,061,453	28,217,855	30,766,213	1,088,226	29,677,987
Total	191,016,609	4,387,161	186,629,448	168,991,337	3,942,027	165,049,310
Less: Current portion of non-current assets:	23,595,187	604,681	22,990,506	22,971,133	428,181	22,542,952
Including: Long-term project receivables	12,674,017	439,330	12,234,687	10,136,049	258,458	9,877,591
PPP project receivables	2,296,706	58,854	2,237,852	2,533,897	34,438	2,499,459
Primary land development receivables	5,922,748	92,926	5,829,822	8,532,608	126,451	8,406,157
Others	2,701,716	13,571	2,688,145	1,768,579	8,834	1,759,745
Long-term receivables due after one year	167,421,422	3,782,480	163,638,942	146,020,204	3,513,846	142,506,358

Note: as at 31 December 2025, long-term receivables with significant financing components are presented at discounted net worth at a discount rate of 3.60% to 4.75% (31 December 2024: 3.65% to 4.75%).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method

RMB'000

	31 December 2025				
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Provision Percentage (%)	Carrying amount
Provision for impairment of assets assessed individually	5,566,612	2.91	2,560,510	46.00	3,006,102
Provision for impairment of assets assessed by credit risk portfolio	185,449,997	97.09	1,826,651	0.98	183,623,346
Total	191,016,609	100.00	4,387,161	2.30	186,629,448

	31 December 2024				
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Provision Percentage (%)	Carrying amount
Provision for impairment of assets assessed individually	5,287,681	3.13	2,255,172	42.65	3,032,509
Provision for impairment of assets assessed by credit risk portfolio	163,703,656	96.87	1,686,855	1.03	162,016,801
Total	168,991,337	100.00	3,942,027	2.33	165,049,310

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method (Continued)

Long term receivables for which bad debt provisions are individually accrued are as follows:

RMB'000

	31 December 2025				31 December 2024		
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reason	Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Company 1	1,147,418	684,128	59.62	Note	1,240,358	498,924	40.22
Company 2	609,833	418,274	68.59	Note	665,736	430,768	64.71
Company 3	1,015,644	340,001	33.48	Note	1,108,644	346,485	31.25
Company 4	137,955	137,955	100.00	Note	137,955	137,955	100.00
Company 5	251,103	124,164	49.45	Note	251,103	124,053	49.40
Total	3,161,953	1,704,522	53.91		3,403,796	1,538,185	45.19

Note: According to the recoverability of receivables, the Group recorded allowance for credit losses.

RMB'000

	Allowance for credit losses		
	Non-credit-impaired	Credit–impaired	Total
Opening balance of the current year	1,686,855	2,255,172	3,942,027
Provision for the year	479,606	218,596	698,202
Reversal for the year	(355,357)	(66,926)	(422,283)
Others	15,547	153,668	169,215
Closing balance of the current year	1,826,651	2,560,510	4,387,161

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method (Continued)

As at 31 December 2025, long-term receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

	Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Portfolio 1	151,313,377	1,489,260	0.98
Portfolio 2	490,517	2,437	0.50
Portfolio 3	19,303,496	155,487	0.81
Portfolio 4	14,342,607	179,467	1.25
Total	185,449,997	1,826,651	0.98

(3) Status of bad debt provision

Movements in the allowance for credit losses of long-term receivables were as follows:

RMB'000

	Opening balance of the current year	Provision for the year	Reversal for the year	Write-off for the year	Others	Closing balance of current year
For the year ended 31 December 2025	3,942,027	698,202	(422,283)	–	169,215	4,387,161

The restricted long-term receivables of the Group are stated in Note V. 27.

For the year ended 31 December 2025, the Group derecognised long-term receivables with gross carrying amount of RMB674,412,000 due to the transfer of financial assets (for the year ended 31 December 2024: RMB4,857,802,000), and has recognised losses on derecognition of RMB22,824,000 (for the year ended 31 December 2024: RMB251,735,000).

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments

(1) Long-term equity investment

RMB'000

	31 December 2025	31 December 2024
Joint ventures	**60,291,512**	64,642,831
Associates	**89,040,976**	89,455,979
Sub-total	**149,332,488**	154,098,810
Less: Provision for impairment of long-term equity investments	**49,208**	114,410
Total	**149,283,280**	153,984,400

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments

(1) Long-term equity investment (Continued)

RMB'000

Investee	1 January 2025	Changes for the year: Increase in investment	Decrease in investment	Investment profits or losses under comprehensive method income	Other equity	Others	Declaration of cash dividends	31 December 2025	Provision for impairment at the end of year
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,383,121	158,000	–	(239,366)	–	–	–	4,301,755	–
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. (Note 1)	3,776,179	–	–	2,910	–	–	–	3,779,089	–
Hohhot Metro Line 2 Construction & Management Co., Ltd. (Note 2)	3,672,324	–	–	8,621	–	–	–	3,680,945	–
Chongqing Yuxiang Fuxian Highway Co., Ltd.	3,228,859	–	–	(75,456)	–	–	–	3,153,403	–
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,743,812	–	–	60,998	–	–	–	2,804,810	–
Sichuan Tianfu Airport Expressway Co., Ltd.	2,238,173	–	(2,134,281)	(103,892)	–	–	–	–	–
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	1,925,311	520,000	–	(15,053)	–	–	–	2,430,258	–
Guiyang Changda Rail Transit Construction Co., Ltd.	1,906,432	9,442	–	(4,230)	–	–	–	1,911,644	–
Xuchang Municipal Rail Construction Co., Ltd.	1,890,253	–	(10,000)	–	–	–	–	1,880,253	–
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,101	–	–	–	–	–	–	1,688,101	–
Others	37,190,266	1,858,943	(2,887,670)	(1,229,606)	71,552	6,582	(348,813)	34,661,254	(49,208)
Total	64,642,831	2,546,385	(5,031,951)	(1,595,074)	71,552	6,582	(348,813)	60,291,512	(49,208)

Note 1: According to the articles of association of Kunming Rail Transit Line 5 Construction & Operation Co., Ltd., the operation policies and investment plans made by the shareholders' meeting and the resolution of the review and approval of board of directors' report shall be subject to all voting rights of shareholders. The Group holds 54.40% shares in Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. and has appointed one director to the board of directors. It can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Note 2: According to the articles of association of Hohhot Metro Line 2 Construction & Management Co., Ltd., the major decisions made in the shareholders' meeting shall be subject to more than two-thirds of voting rights of shareholders. As the Group holds 51.00% shares in Hohhot Metro Line 2 Construction & Management Co., Ltd., it can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments (Continued)

(1) Long term equity investment (Continued)

RMB'000

Investee	1 January 2025	Changes for the year Increase in investment	Decrease in investment	Investment profits or losses under comprehensive method income	Other equity	Others	Declaration of cash dividends	31 December 2025	Provision for impairment at the end of year
CRCC-Tongguan Investment Co., Ltd.	3,322,928	-	-	632,711	(157,847)	-	(1,006,703)	2,791,089	-
CRCC Financial Leasing Co., Ltd. (Note 1)	3,267,957	-	-	220,456	-	29,868	(51,643)	3,466,638	-
Hangqu Railway Co., Ltd.	2,824,863	178,218	-	-	-	-	-	3,003,081	-
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	-	-	150,395	-	-	(150,395)	2,463,800	-
CRCC Ningxia Highway Co. Ltd.	2,063,741	-	-	(31,450)	-	-	-	2,032,291	-
Shanghai Wanjinglong Real Estate Co., Ltd.	1,846,152	-	(51,680)	258,056	-	-	-	2,052,528	-
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	1,815,074	251,964	-	-	-	-	-	2,067,038	-
Yunnan Kunchu Highway Investment & Development Co., Ltd.	1,792,823	-	-	(75,550)	-	-	-	1,717,273	-
Kunming Sanqing Highway Co., Ltd.	1,708,752	400,000	-	(29,188)	-	-	-	2,079,564	-
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,621,716	-	-	7,580	-	-	-	1,629,296	-
Others	66,728,173	4,178,529	(4,887,526)	324,710	(17,198)	2,617	(590,927)	65,738,378	-
Total	89,455,979	5,008,711	(4,939,206)	1,457,720	(175,045)	32,485	(1,799,668)	89,040,976	-

Note 1: According to the articles of association of CRCC Financial Leasing Co., Ltd., the decisions of amending the company's articles of association, increasing the registered capital, resolutions of the company merger, division, dissolution, changing the company form, scope of operations, issuing of corporate bonds and selecting the directors shall be subject to more than two-thirds of voting rights of shareholders. Others shall be subject to more than half of voting rights of shareholders. As the Group holds 50.00% shares in CRCC Financial Leasing Co., Ltd., it can neither control nor jointly control the entity with other shareholders, but has significant influence over the entity. Therefore, it is accounted for an associate of the Group.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments (Continued)

(2) Impairment of long-term equity investments

	Opening balance of the current year	Increase during the year	Decrease during the year	Closing balance of current year
Joint Venture				
PetroChina &CRCC Petroleum Marketing Co., LTD	49,208	–	–	49,208
Associates				
Concesionaria de Autopistas de Morelos SA de CV-21st Century Highway	65,202	–	65,202	–
Total	114,410	–	65,202	49,208

17. Other equity instrument investments

RMB'000

	31 December 2025	31 December 2024
Equity investments in listed companies	1,794,600	1,722,181
Equity investments in unlisted companies	12,289,669	11,445,616
Total	14,084,269	13,167,797

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (Continued)

For the year ended 31 December 2025:

RMB'000

Item	1 January 2025	Changes for the year: Increase of investment	Changes for the year: Decrease of investment	Changes for the year: Changes in fair value	Changes for the year: Others	31 December 2025	Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
Other equity instrument investments	13,167,797	1,280,456	(607,690)	242,647	1,059	14,084,269	257,290	1,185,983

For the year ended 31 December 2024:

RMB'000

Item	1 January 2024	Changes for the year: Increase of investment	Changes for the year: Decrease of investment	Changes for the year: Changes in fair value	Changes for the year: Others	31 December 2024	Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
Other equity instrument investments	12,575,571	1,077,246	(1,259,609)	774,148	441	13,167,797	153,800	948,660

As at 31 December 2025, a portion of other equity instrument investments held by the Group have been derecognised due to disposal. Accumulated gains transferred to retained earnings due to derecognition are amounted to RMB33,143,000 (31 December 2024: RMB242,070,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (Continued)

As at 31 December 2025, the Group's listed companies' equity instrument investments designated as those at FVTOCI are as follows:

RMB'000

	31 December 2025	31 December 2024	Reasons for designated at FVTOCI
Times Electric (688187)	502,642	469,616	Note
Bank of Communications (601328)	290,502	311,338	Note
Tongling Nonferrous (000630)	452,193	243,026	Note
Others	549,263	698,201	Note
Total	1,794,600	1,722,181	–

Note: Long-term equity investments for strategic purposes

18. Other non-current financial assets

RMB'000

	31 December 2025	31 December 2024
Investments in unlisted fund products	9,314,615	8,141,913
Equity investments in listed companies	484,446	177,252
Others	3,030,663	3,056,957
Total	12,829,724	11,376,122

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Investment properties

(1) Subsequent measurement under cost method

For the year ended 31 December 2025:

RMB'000

	Buildings and land use right
Original costs	
Opening balance	18,433,042
Additions	597,884
Transferred from inventories	1,631,947
Transferred from fixed assets	324,491
Transferred from construction in progress	411,076
Transferred from intangible assets	139,015
Disposal	(181,926)
Transferred to fixed assets	(1,221,857)
Transferred to inventories	(540,275)
Others	(24,417)
Closing balance	19,568,980
Accumulated depreciation and amortisation	
Opening balance	2,224,939
Provision	519,063
Transferred from fixed assets	40,607
Disposal	(13,129)
Transferred to fixed assets	(48,445)
Transferred to inventories	(19,039)
Others	(3,048)
Closing balance	2,700,948
Provision for impairment	
Opening balance	226,270
Others	(1,377)
Closing balance	224,893
Carrying amount	
Closing balance	16,643,139
Opening balance	15,981,833

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Investment properties (Continued)

(1) Subsequent measurement under cost method (Continued)

As at 31 December 2025, the Group was in the process of applying for and handling registration or transfer of title certificates of certain buildings with an aggregate carrying amount of RMB537,972,000 (31 December 2024: RMB2,163,912,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 31 December 2025.

The restricted investment properties of the Group are stated in Note V. 27.

20. Fixed assets

For the year ended 31 December 2025:

RMB'000

	Buildings and structures	Machinery and equipment	Transportation vehicles	Other equipment	Total
Original costs					
1 January 2025	34,021,865	53,897,762	16,596,709	80,342,573	184,858,909
Additions	1,024,930	2,018,112	1,117,946	10,221,871	14,382,859
Transferred in from construction in progress	1,580,119	1,556,562	78,637	1,908,183	5,123,501
Transferred in from investment properties	1,221,857	–	–	–	1,221,857
Other increases	138,535	1,139,941	56,933	422,914	1,758,323
Disposal or retirement	(230,293)	(4,487,539)	(1,081,363)	(7,611,483)	(13,410,678)
Transferred out to construction in progress	(19,152)	(709,915)	(19,563)	(15,916)	(764,546)
Transferred out to investment properties	(324,491)	–	–	–	(324,491)
Other decreases	(96,102)	(60,160)	(7,099)	(218,234)	(381,595)
31 December 2025	37,317,268	53,354,763	16,742,200	85,049,908	192,464,139

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Fixed assets (Continued)

	Buildings and structures	Machinery and equipment	Transportation vehicles	Other equipment	Total
Accumulated depreciation					
1 January 2025	8,431,720	32,013,290	13,322,326	57,765,482	111,532,818
Provision	1,068,384	4,511,220	1,238,415	12,513,292	19,331,311
Transferred in from investment properties	48,445	–	–	–	48,445
Other increases	21,120	413,402	53,113	142,817	630,452
Disposal or retirement	(52,855)	(3,600,518)	(1,022,891)	(6,982,925)	(11,659,189)
Transferred to construction in progress	(3,652)	(376,452)	(15,958)	(14,245)	(410,307)
Transferred to investment properties	(40,607)	–	–	–	(40,607)
Other decreases	(37,723)	(22,298)	(6,359)	(96,335)	(162,715)
31 December 2025	9,434,832	32,938,644	13,568,646	63,328,086	119,270,208
Provision for impairment					
1 January 2025	174,650	98,591	725	23,658	297,624
Provision for the year	–	(31)	–	31	–
Disposal or retirement	(1,392)	(16)	–	(28)	(1,436)
Other decreases	(21,563)	–	–	(22)	(21,585)
31 December 2025	151,695	98,544	725	23,639	274,603
Carrying amount					
31 December 2025	27,730,741	20,317,575	3,172,829	21,698,183	72,919,328
1 January 2025	25,415,495	21,785,881	3,273,658	22,553,433	73,028,467

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Fixed assets (Continued)

(2) Fixed assets without the certificates

RMB'000

Item	Carrying amount	Reasons for incomplete title certificates
Building construction	1,909,678	In process

The restricted fixed assets of the Group are stated in Note V. 27.

As at 31 December 2025, the Group was in the process of applying for and handling registration or transfer of title certificates of certain buildings with an aggregate carrying amount of RMB1,909,678,000 (31 December 2024: RMB3,187,055,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 31 December 2025.

21. Construction in progress

RMB'000

	31 December 2025	31 December 2024
Construction in progress	**9,027,327**	6,812,863

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(1) Construction in progress

RMB'000

	31 December 2025			31 December 2024		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
CRCC South China Headquarters Building Project	2,003,645	–	2,003,645	995,298	–	995,298
CRCC Development Group Hotan Minfeng 1,000 MW Photovoltaic Desert Control Project	1,570,008	–	1,570,008	–	–	–
Yancheng Huangshagang National Central Fishery Port	621,366	–	621,366	–	–	–
CRCC Port and Shipping Project	412,124	–	412,124	326,116	–	326,116
China Railway Construction Yuhu Phase II	373,954	–	373,954	320,138	–	320,138
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project	329,488	–	329,488	293,442	–	293,442
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	276,397	–	276,397	207,834	–	207,834
Qingdao CRCC Plaza (International Science and Technology Headquarters Base Pilot Project Phase I) Area A Office Building	134,501	–	134,501	131,225	–	131,225
Taizhou Port Taixing Port Qiwu Operation Zone Public Wharf	127,180	–	127,180	100,618	–	100,618
Ziyang City Yajiang District Dshan, Nanjin and Other Towns Reclamation of Paddy Fields Project	116,539	–	116,539	115,735	–	115,735
Others	3,071,688	9,563	3,062,125	4,332,020	9,563	4,322,457
Total	9,036,890	9,563	9,027,327	6,822,426	9,563	6,812,863

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(2) Changes in significant construction in progress

For the year ended 31 December 2025:

RMB'000

	Budgeted amount	Carrying amount at 1 January 2025	Additions	Transfer Out to fixed assets	Others transferred out	Carrying amount at 31 December 2025	Source of funds	Proportion of investment to budget *(%)*
CRCC South China Headquarters Building Project	4,046,040	995,298	1,008,347	–	–	2,003,645	Loan	49.52
CRCC Development Group Hotan Minfeng 1,000 MW Photovoltaic Desert Control Project	2,970,244	–	1,570,008	–	–	1,570,008	Loan	52.86
Yancheng Huangshagang National Central Fishery Port	2,938,440	–	621,366	–	–	621,366	Loan	21.15
CRCC Port and Shipping project	764,240	326,116	86,008	–	–	412,124	Loan	53.93
China Railway Construction Yuhu Phase II	641,550	320,138	53,816	–	–	373,954	Self financing	58.29
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project	521,945	293,442	36,046	–	–	329,488	Self financing	63.13
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	434,790	207,834	68,563	–	–	276,397	Self financing	63.57
Qingdao CRCC Plaza (International Science and Technology Headquarters Base Pilot Project Phase I) Area A Office Building	282,292	131,225	3,276	–	–	134,501	Loan	47.65
Taizhou Port Taixing Port Qiwu Operation Zone Public Wharf	245,000	100,618	29,823	(3,261)	–	127,180	Loan	51.91
Ziyang City Yajiang District Dshan, Nanjin, and Other Towns Reclamation of Paddy Fields Project	125,090	115,735	804	–	–	116,539	Loan	93.16
Others		4,332,020	4,805,585	(5,120,240)	(945,677)	3,071,688	Self financing/ loan	
Total		6,822,426	8,283,642	(5,123,501)	(945,677)	9,036,890		
Less: Provision for impairment		9,563	–	–	–	9,563		
Net value at the end of the year		6,812,863	8,283,642	(5,123,501)	(945,677)	9,027,327		

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(2) Changes in significant construction in progress (Continued)

For the year ended 31 December 2025, construction in progress with a carrying amount of RMB5,123,501,000 (2024: RMB6,368,454,000) and RMB229,839,000 (2024:RMB102,574,000) had been transferred to fixed assets and intangible assets respectively, and the amount transferred to investment properties was RMB411,076,000 (2024: Nil).

The amounts of interest expenses capitalised in the balance of construction in progress and the capitalisation rates are listed as follows:

RMB'000

	Progress as at 31 December 2025	Capitalised amount of borrowing costs as at 31 December 2025	Including: Interest capitalised during the year	Capitalisation rate during the year (%)
CRCC South China Headquarters Building Project	49.52	244,182	58,821	2.61
Yancheng Huangshagang National Central Fishery Port	21.15	26,968	26,968	2.58
CRCC Port and Shipping Project	53.93	13,012	7,894	3.05
Qingdao CRCC Plaza (International Science and Technology Headquarters Base Pilot Project Phase I) Area A Office Building	47.65	17,059	378	3.25
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	63.57	7,636	2,942	2.07
Others		59,647	36,115	
Total		368,504	133,118	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Right-of-use assets

(1) Description of right-of-use assets

RMB'000

	Buildings	Machinery	Vehicles	Other equipment	Total
Original costs					
Opening balance	6,240,671	6,186,410	853,503	498,976	13,779,560
Additions	2,674,620	1,663,050	2,838,820	114,105	7,290,595
Disposal	(1,044,204)	(1,893,937)	(455,949)	(66,298)	(3,460,388)
Closing balance	7,871,087	5,955,523	3,236,374	546,783	17,609,767
Accumulated depreciation					
Opening balance	2,886,160	2,650,078	549,883	188,961	6,275,082
Provision	1,054,459	1,747,334	449,493	99,423	3,350,709
Disposal	(866,163)	(1,367,695)	(329,436)	(46,086)	(2,609,380)
Closing balance	3,074,456	3,029,717	669,940	242,298	7,016,411
Carrying amount					
Closing balance	4,796,631	2,925,806	2,566,434	304,485	10,593,356
Opening balance	3,354,511	3,536,332	303,620	310,015	7,504,478

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets

(1) Intangible assets

RMB'000

	Land use rights	Concession rights	Software licences	Mining rights and others	Total
Original costs					
Opening balance	9,509,414	115,580,568	2,009,591	2,164,461	129,264,034
Additions	276,241	55,382,765	224,749	870,007	56,753,762
Acquisition of subsidiaries	38,278	3,735	–	962,489	1,004,502
Transferred in from construction in progress	–	25,038	11,583	193,218	229,839
Other increase	–	4,549	–	–	4,549
Disposal or retirement	(184,864)	(24,468)	(96,636)	(21,904)	(327,872)
Transferred out to Investment properties	(139,015)	–	–	–	(139,015)
Other decreases	(9,544)	–	(585)	(48,088)	(58,217)
Closing balance	9,490,510	170,972,187	2,148,702	4,120,183	186,731,582
Accumulated amortisation					
Opening balance	2,288,363	6,134,715	1,291,323	908,799	10,623,200
Provision	204,574	3,255,586	238,229	643,805	4,342,194
Other increase	–	–	–	248	248
Disposal or retirement	(29,964)	–	(87,569)	(66,088)	(183,621)
Other decreases	(2,450)	–	(392)	(16,675)	(19,517)
Closing balance	2,460,523	9,390,301	1,441,591	1,470,089	14,762,504
Provision for impairment					
Opening balance	9,043	1,289,035	–	340,367	1,638,445
Provision	–	102,651	–	–	102,651
Other	–	–	–	–	–
Closing balance	9,043	1,391,686	–	340,367	1,741,096
Carrying amount					
Closing balance	7,020,944	160,190,200	707,111	2,309,727	170,227,982
Opening balance	7,212,008	108,156,818	718,268	915,295	117,002,389

Note: For the year ended 31 December 2025, the Group's business combinations not involving enterprises under common control and acquisitions of subsidiaries resulted in an increase in concession rights by RMB37,768,605,000, which included the concession rights for the Xiajin to Liaocheng section of the De Shang Expressway, the concession rights for the Yongning Yellow River Highway Bridge in Ningxia, and the concession rights for the Xiu Shan to Songtao Highway (Chongqing section) connecting Chongqing and Guizhou, among others.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets (Continued)

(1) Intangible assets (Continued)

For the year ended 31 December 2025, intangible assets recognised through the internal research and development account 0.03% of the closing balance of intangible assets (31 December 2024: 0.02%).

The restricted intangible assets of the Group are stated in Note V. 27.

(2) Intangible assets with incomplete property ownership certification:

Item	Carrying amount	Reasons for the incomplete property ownership certification
Wuhu New Base land use right	14,876	Conditions not met
Doumen Base land use right	11,338	Conditions not met
Wuhan Urban Rail Transit R&D Center land use right	8,334	Conditions not met
Yongan City Jifeng Avenue South land use right	6,320	Conditions not met
Pingyao County Nangliangzhuang Village land use right	4,607	Conditions not met
Others	9,262	Conditions not met
Total	54,737	

As at 31 December 2025, the Group was in the process of applying for the title certificates of certain parcels of its land in the PRC with an aggregate carrying amount of RMB54,737,000 (31 December 2024: RMB304,280,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such land, and also of the opinion that the matter did not have any significant adverse impact on the Group's financial position as at 31 December 2025.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets (Continued)

(3) The amounts of interest capitalised in the balance of intangible assets and the capitalisation rates are analysed as follows:

RMB'000

Item	Project progress at the end of the year *(%)*	Capitalised amount of borrowing costs in the closing balance	Interest capitalised during the year/from the acquisition date to the year	Capitalisation rate during the year *(%)*
Sichuan Jianpu Highway Project concession rights	100	1,112,922	–	–
Guizhou Jianhe to Liping Highway Project concession rights	98	639,771	–	–
Guizhou Wudang (Yangchang) to Changshun Highway Project concession	96	860,664	311,251	3.00
Guangxi Ziyuan (Meixi) to Xing'an Highway Project concession rights	100	481,663	–	–
Guangxi Nanyuzhu Highway Yuheng Section concession rights	100	276,713	–	–
Highway from Wuxi Chongqing to Zhenping Shaanxi (Chongqing Section)	100	224,382	–	–
Guizhou Anshun to Ziyun Highway Project concession rights	100	153,196	–	–
Wuzhou-Leye Highway (Yufeng to Yizhou Section) Concession Rights	54	138,203	84,944	2.25
Henan Lanyuan Expressway Project concession rights	100	137,319	–	–
Others		917,724	291,747	
Total		4,942,557	687,942	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Goodwill

(1) Original costs

RMB'000

	Opening balance	Increase	Decrease	Exchange differences on translation of foreign operations	Closing balance
Acquisition of ALDESA Company *(Note 1)*	400,346	–	–	42,414	442,760
Acquisition of CIDEON Company *(Note 2)*	91,369	–	–	–	91,369
Others	43,128	–	–	–	43,128
Total	534,843	–	–	42,414	577,257

(2) Provision for impairment

RMB'000

	Opening balance	Increase	Decrease	Exchange differences on translation of foreign operations	Closing balance
Acquisition of ALDESA Company *(Note 1)*	400,346	–	–	42,414	442,760
Acquisition of CIDEON Company *(Note 2)*	78,880	–	–	–	78,880
Others	5,855	–	–	–	5,855
Total	485,081	–	–	42,414	527,495

Note 1: The goodwill of EUR54,670,000 was acquired in the business combination involving entities not under common control of GRUPO ALDESA, S. A. ("ALDESA Company") on 8 May 2020. For the year ended 31 December 2025, the Group recognised accumulated impairment of the goodwill of EUR54,670,000.

Note 2: On 29 February 2016, the Group purchased CIDEON Engineering GmbH & Co. KG, CIDEON Engineering Verwaltungs GmbH and CIDEON Schweiz AG (collectively referred to as "CIDEON Company"), which is a business combination involving entities not under common control and resulted in the increase in goodwill by EUR11,710,000. For the year ended 31 December 2025, the Group recognised accumulated impairment of the goodwill of EUR10,040,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities

(1) Deferred tax assets not offset

RMB'000

Item	31 December 2025 Deductible temporary differences	31 December 2025 Deferred tax assets	31 December 2024 Deductible temporary differences	31 December 2024 Deferred tax assets
Provision for long-term post–leaving benefits	**50,409**	**10,108**	75,606	15,379
Provision for impairment of credit and assets	**46,628,843**	**9,193,380**	38,450,806	7,417,002
Deductible tax losses	**7,270,050**	**1,688,069**	6,330,815	1,484,094
Lease liabilities	**7,122,432**	**1,373,439**	5,559,801	1,082,111
Revaluation surplus from restructuring	**1,103,879**	**275,970**	1,112,808	278,210
Unrealised profits of intra–group transactions	**8,746,887**	**1,775,653**	8,659,205	1,982,267
Changes in fair value of other equity instrument investments	**117,285**	**29,237**	125,807	26,624
Others	**9,153,882**	**1,903,268**	7,405,352	1,501,654
Total	**80,193,667**	**16,249,124**	67,720,200	13,787,341

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities (Continued)

(2) Deferred tax liabilities not offset

RMB'000

Item	31 December 2025 Taxable temporary differences	31 December 2025 Deferred tax liabilities	31 December 2024 Taxable temporary differences	31 December 2024 Deferred tax liabilities
Right-of-use assets	**6,965,735**	**1,408,092**	6,212,242	1,185,850
Changes in fair value of other equity instrument investments	**2,162,566**	**388,359**	2,001,830	323,571
Asset appreciation from appraisal for business combinations involving entities not under common control	**345,169**	**86,292**	346,893	86,776
Book-tax temporary differences for revenue recognition	**5,539,718**	**1,368,276**	5,432,039	1,358,010
Others	**4,717,998**	**1,001,610**	3,052,241	659,897
Total	**19,731,186**	**4,252,629**	17,045,245	3,614,104

(3) Deferred tax assets or liabilities stated net of offsets:

RMB'000

Item	Offset amount between deferred tax assets and liabilities at the end of the year	Closing balance of deferred tax assets or liabilities after offset	Offset amount between deferred tax assets and liabilities at the beginning of the year	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	**2,620,176**	**13,628,948**	1,634,841	12,152,500
Deferred tax liabilities	**2,620,176**	**1,632,453**	1,634,841	1,979,263

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities (Continued)

(4) Details of unrecognized deferred tax assets

RMB'000

	31 December 2025	31 December 2024
Deductible temporary differences	**20,283,312**	16,850,753
Deductible tax losses	**29,119,550**	27,006,370
Total	**49,402,862**	43,857,123

(5) Maturity analysis of deductible losses of unrecognized deferred tax assets

RMB'000

	31 December 2025	31 December 2024
2025	**–**	3,419,779
2026	**4,713,302**	4,728,944
2027	**4,340,638**	4,508,318
2028	**5,875,063**	6,026,313
2029	**5,874,594**	6,413,900
2030	**7,091,820**	780,666
2031	**425,648**	425,648
2032	**294,077**	294,077
2033	**301,388**	308,513
2034	**82,734**	100,212
2035	**120,286**	–
Total	**29,119,550**	27,006,370

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets

RMB'000

Item	31 December 2025			31 December 2024		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Retention receivables	121,038,726	3,015,051	118,023,675	99,122,514	2,751,775	96,370,739
Contract assets derived from primary land development receivables and other project receivables contract assets derived from primary land development receivables and other project receivables	77,416,384	578,945	76,837,439	64,190,947	527,378	63,663,569
Others	14,982,792	148,752	14,834,040	8,951,104	117,503	8,833,601
Subtotal	213,437,902	3,742,748	209,695,154	172,264,565	3,396,656	168,867,909
Less: Current portion of other non-current assets	14,003,434	1,124,906	12,878,528	10,622,349	880,450	9,741,899
Total	199,434,468	2,617,842	196,816,626	161,642,216	2,516,206	159,126,010

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

RMB'000

	31 December 2025				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage %	Amount	Provision percentage %	Carrying amount
Provision for impairment of assets assessed individually	5,790,688	2.92	2,212,621	38.21	3,578,067
Provision for impairment of assets assessed by credit risk portfolio	192,664,422	97.08	1,381,375	0.72	191,283,047
Total	198,455,110	100.00	3,593,996	1.81	194,861,114

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

RMB'000

	31 December 2024				
	Gross carrying amount		Provision for impairment of assets		
Category	Amount	Percentage %	Amount	Provision percentage %	Carrying amount
Provision for impairment of assets assessed individually	6,247,834	3.83	2,072,223	33.17	4,175,611
Provision for impairment of assets assessed by credit risk portfolio	157,065,627	96.17	1,206,930	0.77	155,858,697
Total	163,313,461	100.00	3,279,153	2.01	160,034,308

RMB'000

Contract assets in other non-current assets with provision for impairment of assets assessed individually are as follows:

	31 December 2025				31 December 2024		
	Gross carrying amount	**Provision for impairment of assets**	**Provision percentage *(%)***	**Reason**	Gross carrying amount	Provision for impairment of assets	Provision percentage *(%)*
Company 1	**2,666,154**	**538,095**	**20.18**	**Low possibility of recoverability**	3,846,063	1,496,853	38.92
Company 2	**1,203,478**	**180,186**	**14.97**	**Low possibility of recoverability**	1,242,375	184,888	14.88
Company 3	**69,391**	**69,391**	**100.00**	**Low possibility of recoverability**	69,391	69,391	100.00
Company 4	**47,929**	**43,336**	**90.42**	**Low possibility of recoverability**	47,929	43,336	90.42
Company 5	**45,776**	**45,776**	**100.00**	**Low possibility of recoverability**	45,776	45,776	100.00
Total	**4,032,728**	**876,784**	**21.74**		5,251,534	1,840,244	35.04

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

As at 31 December 2025, contract assets in other non-current assets whose allowance for credit losses were assessed by credit risk portfolio were follows:

RMB'000

	Gross carrying amount	Provision for impairment of assets	Provision proportion *(%)*
Portfolio 1	149,307,975	989,834	0.66
Portfolio 2	10,380,605	66,693	0.64
Portfolio 3	10,143,156	49,503	0.49
Portfolio 4	22,832,686	275,345	1.21
Total	192,664,422	1,381,375	0.72

Movements of contract assets and provision for impairment of assets in other non-current assets are as follows:

RMB'000

Item	Opening balance of the current year	Provision for the year	Reversal	Others	Closing balance of current year
For the year ended 31 December 2025	3,279,153	755,579	(515,116)	74,380	3,593,996

For the year ended 31 December 2025, there were no significant reversals of impairment provisions for other non-current assets.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Assets with title restrictions

RMB'000

	31 December 2025	31 December 2024	Reason
Cash and bank balance	16,795,619	16,359,789	Note
Accounts receivables	3,169,477	3,090,368	Pledged for loans
Inventories	47,819,227	67,381,882	Mortgaged for loans
Contract assets	30,556,164	26,337,133	Pledged for loans
Long-term receivables	10,583,097	10,269,134	Pledged for loans
Investment properties	2,391,756	2,729,706	Mortgaged for loans
Fixed assets	1,938,376	2,160,613	Mortgaged for loans
Construction in progress	1,321,430	995,298	Mortgaged for loans
Intangible assets	135,068,961	88,986,523	Pledged for loans/ Mortgaged for loans
Total	249,644,107	218,310,446	

Note: As at 31 December 2025, the Group held frozen deposits of RMB6,828,730,000 (31 December 2024: RMB6,635,690,000). The residual amount of RMB4,971,888,000 (31 December 2024: RMB4,480,431,000) was comprised of several kinds of deposits. CRCC Finance Company Limited placed RMB4,995,001,000 (31 December 2024: RMB5,243,668,000) in the central bank as statutory reserves.

28. Short-term loans

(1) Classification of short-term borrowings

RMB'000

	31 December 2025	31 December 2024
Credit loans	162,303,142	145,547,053
Pledged loans *(Note 1, Note 2)*	3,027,000	2,333,507
Guaranteed loans *(Note 3)*	2,207,380	1,537,183
Mortgaged loans *(Note 4, Note 5, Note 6)*	1,331,950	724,950
Total	168,869,472	150,142,693

Note 1: As at 31 December 2025, short-term loans with a carrying amount of RMB3,027,000,000 (31 December 2024: RMB2,187,597,000) were secured by the pledge of the Group's trade receivables and future earnings right, as well as all the interests and gains under the contracts thereof with a carrying amount of RMB3,028,268,000 (31 December 2024: RMB2,224,395,000).

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Short-term loans (Continued)

Note 2: As at 31 December 2025, no short-term loans (31 December 2024: RMB145,910,000) were secured by the pledge of the Group's intangible assets (31 December 2024: RMB315,788,000).

Note 3: As at 31 December 2025, all guaranteed loans were guaranteed by the entities comprising the Group (31 December 2024: all guaranteed loans were guaranteed by the entities comprising the Group).

Note 4: As at 31 December 2025, short-term loans with a carrying amount of RMB66,441,000 (31 December 2024: RMB234,210,000) were secured by the mortgage of the Group's fixed assets with a carrying amount of RMB42,052,000 (31 December 2024: RMB282,290,000).

Note 5: As at 31 December 2025, short-term loans with a carrying amount of RMB480,509,000 (31 December 2024: RMB490,740,000) were secured by the mortgage of the Group's investment properties with a carrying amount of RMB157,427,000 (31 December 2024: RMB163,744,000).

Note 6: As at 31 December 2025, short-term loans with a carrying amount of RMB785,000,000 (31 December 2024: Nil) were secured by the mortgage of the Group's inventories with a carrying amount of RMB1,875,470,000 (31 December 2024: Nil).

As at 31 December 2025, annual interest rates of above short-term loans ranged from 0.53% to 7.11% (31 December 2024: 1.10% to 7.67%).

As at 31 December 2025, the Group had no overdue short-term loans (31 December 2024: Nil).

29. Due to customers

RMB'000

	31 December 2025	31 December 2024
Due to customers	**1,872,095**	2,051,298

30. Bills payable

RMB'000

	31 December 2025	31 December 2024
Commercial acceptance bills	**4,562,182**	5,877,551
Bank acceptance bills	**32,561,987**	35,439,074
Total	**37,124,169**	41,316,625

As at 31 December 2025, the Group had no unpaid overdue bills payable.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Trade payables

(1) Presentation of trade payables

RMB'000

	31 December 2025	31 December 2024
Within 1 year	**582,334,866**	500,956,993
1 to 2 years	**5,298,935**	7,165,099
2 to 3 years	**2,475,540**	2,127,572
Over 3 years	**1,278,343**	2,563,976
Total	**591,387,684**	512,813,640

As at 31 December 2025, trade payables aged over one year amounted to RMB9,052,818,000 (31 December 2024: RMB11,856,647,000), primarily consisted of payables for construction contracts and materials. Since the progress of relevant projects had not reached the point of payments, these trade payables had not been settled.

32. Contract liabilities

(1) Presentation of contract liabilities

RMB'000

	31 December 2025	31 December 2024
Advances for construction operations	**88,043,606**	81,561,817
Advances for the sale of properties *(Note 3)*	**28,218,014**	55,475,086
Advances for the sale of materials	**2,554,105**	2,202,546
Advances for the sale of goods	**892,655**	1,274,422
Others	**1,297,110**	1,135,479
Total	**121,005,490**	141,649,350

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Contract liabilities (Continued)

(2) Material contract liabilities with age of more than 1 year

RMB'000

	31 December 2025	Reasons
Company 1	861,934	Engineering work has not yet been verified and priced.
Company 2	679,100	Engineering work has not yet been verified and priced.
Company 3	288,293	Engineering work has not yet been verified and priced.
Company 4	211,359	Engineering work has not yet been verified and priced.
Company 5	110,589	Engineering work has not yet been verified and priced.
Total	2,151,275	

(3) Advances for the sale of properties

RMB'000

Project name	31 December 2025	Percentage of pre-sales (%)	Estimated completion date
Chengdu Xipai Shanjing Project	1,684,297	80.85	December 2025
CRCC Huayu Shangcheng Project	897,280	29.36	August 2026
Hefei Huayu Jiangnan Project	889,994	36.16	December 2026
CRCC Huayu Tianjing Project (Phase I)	878,612	71.87	June 2026
Ningbo Wanglanfu Project	851,398	46.51	December 2026
CRCC Lot 03 Project	832,963	72.16	April 2026
CRCC Huayutang Project	743,980	60.00	June 2026
CRCC Chongqing Xipaicheng Project	701,501	45.00	June 2026
Xipai Zunfu Project	621,565	14.30	February 2026
Tianjin Zhiye Wuchedi Project	616,628	60.00	March 2027
Chongqing Shanyu Taoyuan Project	613,928	70.49	December 2026
CRCC Xipai Lanting Project	583,893	44.29	June 2026
CRCC International City Project (Phase III)	568,225	94.00	December 2025
Zizhuyuan Project	554,525	31.00	June 2026
CRCC Huayu Tianjing Project (Phase II)	502,223	52.60	October 2026
Wenzhou Xipai Lanting Project	494,334	75.31	December 2026
CRCC Xipai Xuefu Project	488,043	54.00	October 2026
Jiaxing Baihua Future Community (Pilot) Project	486,159	38.00	January 2026
CRCC Jiangyu Tianchen Project	483,962	74.11	January 2027
CRCC Guijiao Qinfengyasong Project	477,640	54.13	December 2026
Others	14,246,864		
Total	28,218,014		

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Employee benefits payable

(1) Employee benefits payable:

RMB'000

	1 January 2025	Accrued	Paid	31 December 2025
Short-term benefits	13,544,265	68,308,310	67,292,356	14,560,219
Post-employment benefits (defined contribution plans)	2,504,581	9,169,876	9,068,024	2,606,433
Total	16,048,846	77,478,186	76,360,380	17,166,652

(2) Short-term benefits payable:

RMB'000

	1 January 2025	Accrued	Paid	31 December 2025
Salaries, bonuses, allowances and subsidies	9,207,379	47,987,754	47,086,849	10,108,284
Staff welfare	–	4,122,549	4,122,549	–
Social insurance	1,514,085	4,690,033	4,573,589	1,630,529
Including: Medical insurance	1,348,452	4,189,271	4,088,253	1,449,470
Work injury insurance	129,339	420,918	405,251	145,006
Maternity insurance	36,294	79,844	80,085	36,053
Housing funds	1,222,464	4,786,920	4,789,499	1,219,885
Union fund and employee education fund	874,436	1,264,746	1,241,539	897,643
Others	725,901	5,456,308	5,478,331	703,878
Total	13,544,265	68,308,310	67,292,356	14,560,219

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Employee benefits payable (Continued)

(3) Defined contribution plan:

RMB'000

	1 January 2025	Accrued	Paid	31 December 2025
Basic pension insurance	1,627,047	6,840,867	6,666,752	1,801,162
Unemployment insurance	98,693	250,092	250,057	98,728
Supplementary pension insurance	778,841	2,078,917	2,151,215	706,543
Total	2,504,581	9,169,876	9,068,024	2,606,433

Defined contribution plan includes basic pension insurance and unemployment insurance managed by local governments and the Group's supplementary pension insurance. In addition to the monthly payments, the Group is no longer liable for further payments. Relevant expenditures are capitalised or expensed in the period when incurred.

34. Taxes payable

RMB'000

	31 December 2025	31 December 2024
VAT	3,069,175	2,381,631
EIT	3,670,441	3,671,037
Others	1,391,734	2,086,037
Total	8,131,350	8,138,705

35. Other payables

RMB'000

	31 December 2025	31 December 2024
Dividends payable	1,334,087	1,296,068
Other payable	123,321,832	119,007,952
Total	124,655,919	120,304,020

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Other payables (Continued)

(1) Information about natures of other payables

RMB'000

	31 December 2025	31 December 2024
Payables for advances	**30,858,850**	39,750,746
Guarantees and deposits	**31,104,981**	34,573,655
Amounts due to related parties	**24,726,859**	23,133,873
Amounts due to partners	**6,075,445**	4,762,573
Dividends payable	**1,334,087**	1,296,068
Others	**30,555,697**	16,787,105
Total	**124,655,919**	120,304,020

(2) Material other payables with age of more than 1 year or overdue

RMB'000

	31 December 2025	Reasons
Company 1	**565,259**	Payables not settled
Company 2	**318,036**	Payables not settled
Company 3	**210,330**	Payables not settled
Company 4	**201,317**	Payables not settled
Company 5	**174,280**	Payables not settled
Total	**1,469,222**	

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Current portion of non-current liabilities

RMB'000

	31 December 2025	31 December 2024
Current portion of long-term loans *(Note V. 38)*	**57,814,773**	46,323,516
Current portion of bonds payable *(Note V. 39)*	**18,220,359**	19,600,735
Current portion of lease liabilities *(Note V. 40)*	**2,416,856**	2,255,090
Current portion of long-term payables *(Note V. 41)*	**9,061,669**	8,000,818
Current portion of provisions	**208,062**	304,957
Current portion of post-employment benefits payable	**20,299**	21,987
Total	**87,742,018**	76,507,103

The current portion of long-term loans are as follows:

RMB'000

	31 December 2025	31 December 2024
Credit loans	**46,421,215**	31,816,420
Mortgaged loans *(Note V. 38 (Note 5, Note 6, Note 7, Note 8, Note 9))*	**4,633,371**	7,495,417
Pledged loans *(Note V. 38 (Note 1, Note 2, Note 3, Note 4))*	**4,240,896**	3,984,657
Guaranteed loans *(Note V. 38 (Note 10))*	**2,519,291**	3,027,022
Total	**57,814,773**	46,323,516

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Other current liabilities

RMB'000

	31 December 2025	31 December 2024
Amounts to be transferred to output VAT	**46,217,856**	40,973,876
Short-term unsecured financing bonds (Note1)	**6,017,285**	2,011,724
Others	**696,895**	424,040
Total	**52,932,036**	43,409,640

Note 1: Short-term unsecured financing bonds bear a fixed interest rate, with repayment of principal and interest at maturity.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Other current liabilities (Continued)

The movements of short-term unsecured financing bonds are listed as follows:

RMB'000

Bond name	Par value	coupon rate	Issuance date	Bond term	Opening balance	Net amount of issuance during the year	Interests accrued	Amortisation of discounts and premium and effects of exchange rate	Repayment of principal and interest for the year	Closing balance	breach of contract
China Railway Construction Corporation Limited 2025 Annual First Phase Short-Term Commercial Paper	RMB3.0 billion	1.63%	17 October 2025	180 days	–	3,000,000	10,323	–	–	3,010,323	no
China Railway Construction Corporation Limited 2025 Annual Second Phase Short-Term Commercial Paper	RMB3.0 billion	1.54%	6 November 2025	180 days	–	3,000,000	6,962	–	–	3,006,962	no
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase I in 2025	RMB1.0 billion	1.77%	5 June 2025	150 days	–	999,958	7,316	42	1,007,316	–	no
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase II in 2025	RMB0.5 billion	1.75%	18 June 2025	160 days	–	499,978	3,858	22	503,858	–	no
China Railway 11th Bureau Group Co., Ltd. 2025 Annual Third Phase Technology Innovation Bond (Sci-Tech Notes)	RMB0.5 billion	1.75%	18 June 2025	160 days	–	499,978	3,726	22	503,726	–	no
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase I in 2024	RMB1.0 billion	2.09%	12 September 2024	270 days	1,006,256	–	9,220	59	1,015,535	–	no
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase II in 2024	RMB0.5 billion	2.09%	23 September 2024	270 days	502,810	–	6,275	9	509,094	–	no
China Railway 11th Bureau Group Co., Ltd. Super Short-Term Commercial Paper (Technology Innovation Bonds) Phase III in 2024	RMB0.5 billion	2.42%	11 October 2024	270 days	502,658	–	4,922	26	507,606	–	no
Total	–	–	–	–	2,011,724	7,999,914	52,602	180	4,047,135	6,017,285	no

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term loans

RMB'000

	31 December 2025	31 December 2024
Credit loans	190,306,952	137,950,250
Pledged loans *(Note 1, Note 2, Note 3, Note 4)*	119,017,315	69,634,559
Mortgaged loans *(Note 5, Note 6, Note 7, Note 8, Note 9)*	21,947,419	25,241,688
Guaranteed loans *(Note 10)*	4,478,727	2,236,123
Total	335,750,413	235,062,620

As at 31 December 2025, the annual interest rate of long-term borrowings varied from 0.75% to 6% (31 December 2024: 0.75% to 6%).

Note 1: As at 31 December 2025, long-term loans with a carrying amount of RMB101,128,793,000 including current portion of long-term loans of RMB1,645,202,000 (31 December 2024: RMB53,292,981,000, including current portion of long-term loans of RMB1,130,866,000) were secured by pledge of the Group's concession rights with a carrying amount of RMB134,750,448,000 (31 December 2024: RMB88,231,975,000).

Note 2: As at 31 December 2025, long-term loans with a carrying amount of RMB7,376,300,000 including current portion of long-term loans of RMB1,081,567,000 (31 December 2024: RMB864,594,000, including current portion of long-term loans of RMB240,717,000) were secured by pledge of the Group's trade receivables and future earnings right, as well as all the interests and gains under the contracts thereof with a carrying amount of RMB7,252,944,000 (31 December 2024: RMB865,973,000).

Note 3: As at 31 December 2025, long-term loans with a carrying amount of RMB14,723,118,000 including current portion of long-term loans of RMB1,513,627,000 (31 December 2024: RMB19,461,641,000, including current portion of long-term loans of RMB2,613,074,000) were secured by pledges of the Group's contract assets of primary land development and other projects with a carrying amount of RMB30,556,164,000 (31 December 2024: the Group's contract assets of primary land development and other projects with a carrying amount of RMB26,337,133,000), and long-term receivables with a carrying amount of RMB10,583,097,000 (31 December 2024: RMB10,269,134,000).

Note 4: As at 31 December 2025, long-term loans with a carrying amount of RMB30,000,000 including current portion of long-term loans of RMB500,000 (31 December 2024: Nil) were secured by pledges of the Group's intellectual property with a carrying amount of RMB30,000,000 (31 December 2024: Nil).

Note 5: As at 31 December 2025, long-term loans with a carrying amount of RMB975,592,000 including current portion of long-term loans of RMB59,037,000 (31 December 2024: RMB967,780,000, including current portion of long-term loans of RMB66,264,000) were secured by mortgage of the Group's fixed assets with a carrying amount of RMB1,896,324,000 (31 December 2024: RMB1,878,323,000).

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term loans (Continued)

Note 6: As at 31 December 2025, long-term loans with a carrying amount of RMB22,506,109,000 including current portion of long-term loans of RMB4,467,344,000 (31 December 2024: RMB29,348,907,000, including current portion of long-term loans of RMB7,323,527,000) were secured by mortgage of the Group's inventories with a carrying amount of RMB45,943,757,000 (31 December 2024: RMB67,381,882,000)

Note 7: As at 31 December 2025, long-term loans with a carrying amount of RMB1,438,612,000 (31 December 2024: RMB660,819,000) were secured by mortgage of the Group's construction in progress with a carrying amount of RMB1,321,430,000 (31 December 2024: RMB995,298,000).

Note 8: As at 31 December 2025, long-term loans with a carrying amount of RMB979,889,000 including current portion of long-term loans of RMB70,131,000 (31 December 2024: RMB1,248,676,000 including current portion of long-term loans of RMB70,126,000) were secured by mortgage of the Group's investment properties with a carrying amount of RMB2,234,329,000 (31 December 2024: RMB2,565,962,000).

Note 9: As at 31 December 2025, long-term loans with a carrying amount of RMB680,588,000 including current portion of long-term loans of RMB36,859,000 (31 December 2024: RMB510,923,000, including current portion of long-term loans of RMB35,500,000) were secured by mortgage of the Group's land use rights with a carrying amount of RMB288,513,000 (31 December 2024: RMB438,760,000).

Note 10: As at 31 December 2025, the guaranteed long-term loans, including current portion of long-term loans of RMB2,519,291,000 (31 December 2024: RMB3,027,022,000), were all internally guaranteed by the entities comprising the Group.

As at 31 December 2025, the Group had no overdue long-term loans (31 December 2024: Nil). The maturity profile of the long-term loans as at the end of the year is as follows:

RMB'000

	31 December 2025	31 December 2024
Within one year or paid on demand *(Note V. 36)*	**57,814,773**	46,323,516
In the first to second year (inclusive)	**74,488,260**	57,199,589
In the second to fifth year (inclusive)	**122,851,678**	93,699,707
Over five years	**138,410,475**	84,163,324
Total	**393,565,186**	281,386,136

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable

(1) Bonds payable

RMB'000

	31 December 2025	31 December 2024
Bonds payable	**57,555,686**	52,321,218
Less: Current portion of bonds payable *(Note V. 36)*	**18,220,359**	19,600,735
Non-current portion of bonds payable	**39,335,327**	32,720,483

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable

As at 31 December 2025, balances of bonds payable are listed as follows:

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
CRCC Huayuan Limited Guaranteed Note due in 2027 with principal of RMB3,500 million and interest rate of 2.60% (Note1)	3,500,000	2.60%	25 September 2024	3years	3,500,000	3,518,528	–	91,000	3,492	91,000	3,522,020	NO
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of public placement corporate bonds to professional investors	3,590,000	4.05%	15 September 2020	3+2years	3,590,000	3,433,727	–	95,876	1,617	3,531,220	–	NO
China Railway Construction Corporation Limited– 2024 first issue of medium term note	3,000,000	2.28%	1 August 2024	10years	3,000,000	3,024,778	–	68,400	279	68,400	3,025,057	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	2,896,500	3.65%	18 March 2022	3+2years	2,896,500	2,976,137	1,742,348	85,352	(5,721)	1,851,698	2,946,418	NO
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	2,410,000	3.30%	17 January 2024	3+2years	2,410,000	2,474,934	–	86,042	910	79,530	2,482,356	NO
CRCC Hean Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% (Note 2)	EUR 300 million	0.88%	20 May 2021	5years	EUR 300 million	2,267,253	–	22,361	214,774	21,213	2,483,175	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	2,180,000	4.45%	9 January 2023	3+2years	2,180,000	2,265,884	–	104,243	725	97,010	2,273,842	NO

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2020 first issue of medium term note	2,100,000	3.20%	12 March 2020	3+2years	2,100,000	2,170,554	–	23,625	321	2,194,500	–	NO
CRCC Hean Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% (Note 3)	USD 300 million	1.88%	20 May 2021	5years	USD 300 million	2,159,010	–	40,071	(46,365)	40,173	2,112,543	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	1,830,000	3.84%	10 March 2023	3+2years	1,830,000	1,876,168	–	78,006	1,140	70,272	1,885,042	NO
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	2,000,000	4.17%/3.25%	2 March 2021	3+2years	2,000,000	1,873,289	170,000	54,575	1,218	59,682	2,039,400	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	4.43%	27 June 2022	3+2years	1,760,000	1,787,827	60,000	73,219	952	120,368	1,801,630	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,679,900	3.67%	25 March 2022	3+2years	1,679,900	1,724,500	150,000	51,360	(2,212)	211,756	1,711,892	NO
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety II)	1,700,000	2.57%	26 July 2024	30years	1,700,000	1,717,861	–	43,690	24	43,690	1,717,885	NO

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public placement corporate bonds to professional investors	1,300,000	3.78%/3.68%	22 January 2021	3+2years	1,300,000	1,347,086	–	49,435	(885)	47,840	1,347,796	NO
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public placement corporate bonds to professional investors	1,300,000	3.95%/3.55%	3 February 2021	3+2years	1,300,000	1,339,801	–	50,124	569	46,150	1,344,344	NO
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety I)	1,300,000	2.49%	26 July 2024	20years	1,300,000	1,313,214	–	32,370	32	32,370	1,313,246	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	3.58%	17 July 2023	3+2years	1,300,000	1,256,094	60,000	48,805	475	45,316	1,320,058	NO
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of medium term note	1,210,000	3.00%	26 February 2024	3+2years	1,210,000	1,238,099	–	37,246	437	36,300	1,239,482	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,100,000	3.40%	15 July 2022	3+2years	1,100,000	1,133,873	–	34,855	660	58,432	1,110,956	NO
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public placement corporate bonds to professional investors	1,110,000	3.28%/2.50%	1 September 2021	3+2years	1,110,000	1,118,916	–	29,949	516	27,750	1,121,631	NO

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,390,000	3.30%	18 May 2022	3+2years	1,390,000	1,110,240	581,000	36,254	353	317,675	1,410,172	NO
China Railway Construction Real Estate Group Co., Ltd. – 2020 second issue of medium term note	900,000	3.28%	23 March 2020	3+2years	900,000	918,453	–	9,568	249	928,270	–	NO
China Railway Construction Investment Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	1,000,000	2.40%	10 October 2024	10years	1,000,000	864,915	140,000	23,702	96	23,093	1,005,620	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety I)	1,000,000	3.20%	27 May 2022	3years	1,000,000	835,007	–	10,856	377	846,240	–	NO
China Railway Construction Real Estate Group Co., Ltd. – 2024 second issue of medium term note	1,000,000	3.20%	7 March 2024	3+2years	1,000,000	704,831	310,000	26,927	282	16,971	1,025,069	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of medium term note	700,000	3.74%	12 October 2022	3+2years	700,000	703,170	–	21,962	1,193	726,325	–	NO
CRCC Kunlun Investment Group Co., Ltd.- 2024 first issue of medium term note	700,000	2.48%	21 August 2024	10years	700,000	702,793	–	17,360	350	17,360	703,143	NO

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement Corporate bond (variety II)	600,000	3.45%	11 March 2020	5+2years	600,000	615,527	470,000	9,450	5,241	490,700	609,518	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of green medium term note	700,000	3.55%	10 April 2023	3+2years	700,000	612,289	100,000	25,415	303	21,843	716,164	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of targeted placement notes	500,000	3.70%	6 January 2022	3+2years	500,000	521,159	25,000	12,110	780	43,500	515,549	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of targeted placement notes	500,000	3.90%	22 March 2023	3+2years	500,000	509,047	–	20,042	207	19,500	509,796	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of medium term note	400,000	3.35%	24 August 2022	3+2years	400,000	504,694	400,000	8,440	(941)	511,685	400,508	NO
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of targeted placement notes	500,000	3.65%	4 July 2023	3+2years	500,000	502,341	–	19,669	187	18,250	503,947	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of targeted placement notes	300,000	3.99%	28 March 2022	3+2years	300,000	313,120	–	2,993	420	316,533	–	NO
China Railway Construction Real Estate Group Co., Ltd.- 2024 third issue of medium term note	310,000	2.53%	5 June 2024	3+2years	310,000	313,014	–	14,685	146	7,843	320,002	NO

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of public placement corporate bonds to professional investors	290,000	3.70%	25 March 2022	3+2years	290,000	297,837	80,000	8,750	(93)	90,730	295,764	NO
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety II)	270,000	3.68%	27 May 2022	5years	270,000	275,248	–	10,294	267	9,936	275,873	NO
China Railway Construction Real Estate Group Co., Ltd.- 2025 first issue of medium term note	700,000	2.60%	20 February 2025	3+2years	700,000	–	700,000	16,181	(551)	–	715,630	NO
China Railway Construction Real Estate Group Co., Ltd.- 2025 second issue of medium term note	770,000	2.89%	6 March 2025	3+2years	770,000	–	770,000	18,738	(1,100)	–	787,638	NO
China Railway Construction Real Estate Group Co., Ltd.- 2025 third issue of medium term note	770,000	2.68%	3 April 2025	3+2years	770,000	–	770,000	15,647	(901)	–	784,746	NO
China Railway Construction Real Estate Group Co., Ltd. – 2025 first issue of public placement corporate bonds to professional investors	720,000	2.47%	25 June 2025	3+2years	720,000	–	720,000	9,523	(1,294)	–	728,229	NO
China Railway Construction Real Estate Group Co., Ltd.- 2025 fourth issue of medium term note	700,000	2.58%	9 May 2025	3+2years	700,000	–	700,000	12,049	(1,007)	–	711,042	NO

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

As at 31 December 2025, balances of bonds payable are listed as follows: (Continued)

RMB'000

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
China Railway 11th Bureau Group Co., Ltd.- 2025 second issue of technology innovation bonds	1,000,000	2.45%	13 October 2025	3+2years	1,000,000	-	1,000,000	5,303	(481)	-	1,004,822	NO
China Railway 11th Bureau Group Co., Ltd.- 2025 third issue of technology innovation bonds	500,000	2.43%	22 October 2025	3+2years	500,000	-	500,000	2,330	(241)	-	502,089	NO
China Railway 11th Bureau Group Co., Ltd.- 2025 fourth issue of technology innovation bonds	500,000	2.34%	29 October 2025	3+2years	500,000	-	500,000	2,019	(242)	-	501,777	NO
China Railway Construction Real Estate Group Co., Ltd. - 2025 second issue of public placement corporate bonds to professional investors	1,220,000	2.39%	11 July 2025	3+2years	1,220,000	-	1,220,000	7,551	(1,209)	-	1,226,342	NO
China Railway Construction Real Estate Group Co., Ltd. – 2025 third issue of public placement corporate bonds to professional investors	790,000	2.51%	9 September 2025	3+2years	790,000	-	790,000	4,864	(1,059)	-	793,805	NO
China Railway Construction Real Estate Group Co., Ltd. – 2025 fourth issue of public placement corporate bonds to professional investors	700,000	2.52%	18 September 2025	3+2years	700,000	-	700,000	4,463	(977)	-	703,486	NO
CRCC Huayuan Limited Guaranteed Note due in 2030 with principal of RMB3,000 million and interest rate of 2.18% (Note4)	3,000,000	2.18%	11 November 2025	5 years	3,000,000	-	3,000,000	9,033	(4,814)	-	3,004,219	NO

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the year	Discount or premium amortisation and exchange effects	Principal and interest paid in the year	Closing balance	breach of contract
CRCC Huayuan Limited Guaranteed Note due in 2035 with principal of RMB1,000 million and interest rate of 2.60% (Note5)	1,000,000	2.60%	11 November 2025	10 years	1,000,000	-	1,000,000	3,591	(1,628)	-	1,001,963	NO
Total	-	-	-	-	60,696,400	52,321,218	16,658,348	1,590,373	166,871	13,181,124	57,555,686	

Note 1: The 3-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 2: The 5-year EUR bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, yearly interest payment and principal repayment at maturity.

Note 3: The 5-year USD bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 4: The 5-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 5: The 10-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Besides the long term bonds mentioned above, others were general corporate bonds issued on Shanghai Stock Exchange, and unsecured medium-term Notes, non-public directional debt financing instruments issued in National Association of Financial Market Institutional Investors. The relevant long term bonds were with fixed interest rates, interest repayment based on scheduled repayment dates and principal repayment at maturity. For certain bonds, at the end of third year or the fifth year, issuer have right to adjust coupon rate and redeem, and investor have right to put back option.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Lease liabilities

RMB'000

	31 December 2025	31 December 2024
Lease liabilities	**8,538,017**	6,452,125
Less: Total current portion of lease liabilities *(Note V. 36)*	**2,416,856**	2,255,090
Total non-current portion of lease liabilities	**6,121,161**	4,197,035

RMB'000

Maturity analysis of lease liabilities

	31 December 2025	31 December 2024
Due within one year	**2,416,856**	2,255,090
Due within one to two years (included two years)	**1,384,158**	1,732,822
Due within three to five years (included three and five years)	**1,959,106**	1,362,084
Over five years	**2,777,897**	1,102,129
Total	**8,538,017**	6,452,125

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term payables

RMB'000

	31 December 2025	31 December 2024
Long-term payables	**66,940,770**	57,539,696
Special payables	**286,655**	296,795
Total	**67,227,425**	57,836,491
Less: Current portion of long-term payables *(Note V. 36)*	**9,061,669**	8,000,818
Total non-current portion of long-term payables	**58,165,756**	49,835,673

(1) Information about nature of long-term payables is as follow:

	31 December 2025	31 December 2024
Retention payables and long-term project payables	**54,380,332**	46,882,729
Payables for specific items	**4,819,171**	4,330,152
Others	**7,741,267**	6,326,815
Total	**66,940,770**	57,539,696
Less: Current portion of long-term payables *(Note V. 36)*	**9,061,669**	8,000,818
Total non-current portion of long-term payables	**57,879,101**	49,538,878

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term payables (Continued)

(2) Maturity analysis of long-term payables is as follow:

RMB'000

	31 December 2025	31 December 2024
Due within one year	**9,061,669**	8,000,818
Due within one to two years (included two years)	**36,685,230**	31,215,749
Due within two to five years (included five years)	**15,336,773**	12,960,126
Over five years	**5,857,098**	5,363,003
Total	**66,940,770**	57,539,696

42. Share capital

RMB'000

	1 January 2025	Increase	Decrease	31 December 2025
Unrestricted shares				
–RMB ordinary shares	**11,503,246**	**–**	**–**	**11,503,246**
–Overseas listed foreign shares	**2,076,296**	**–**	**–**	**2,076,296**
Total	**13,579,542**	**–**	**–**	**13,579,542**

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments

RMB'000

Item		1 January 2025	Increase	Decrease	31 December 2025
2019 and 2020 renewable loans	*Note 1*	22,200,000	–	3,000,000	19,200,000
2024 renewable corporate bonds	*Note 2*	16,489,155	–	–	16,489,155
2022 renewable corporate bonds	*Note 3*	10,993,335	–	8,694,709	2,298,626
2021 renewable corporate bonds	*Note 4*	4,297,248	–	–	4,297,248
2023 renewable corporate bonds	*Note 5*	4,196,933	–	–	4,196,933
2023 medium-term notes Phase I	*Note 6*	2,995,466	–	–	2,995,466
2022 medium-term notes Phase I	*Note 7*	2,995,372	–	2,995,372	–
2025 renewable corporate bonds	*Note 8*	–	12,646,281	–	12,646,281
2025 medium-term notes Phase I	*Note 9*	–	1,798,679	–	1,798,679
2025 medium-term notes Phase II	*Note 10*	–	2,198,587	–	2,198,587
Total		64,167,509	16,643,547	14,690,081	66,120,975

Note 1: In 2019 and 2020, the Company entered into renewable loans contracts with an aggregate principal amount of RMB35,600,000,000. Pursuant to the terms of these renewable loans contracts, the Company has the option to redeem the renewable loans at the expiration of 5 years or 7 years or 10 years from the investment principal transfer date, if no redemption requested at the point of time mentioned above, the investment term of the relevant investment principal will be extended, the Company will have option to request for redemption three months before the expiration period of 1 year or 3 years. The nominal interest rate of the renewable loans mentioned above in the first loan term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent loan terms is adjusted as the current prime interest rate plus initial spread plus 100 or 300 basis points, the maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and in similar industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and it is not subject to any restrictions as to the number of times the distribution can be deferred. The loans are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the loans did not satisfy the definition of financial liabilities, and recognised the renewable loans as other equity instruments. In 2025、2022 and 2021, the Company redeemed part of the above renewable loans, and the principal redeemed amounted to RMB16,400,000,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 2: From June to November 2024, the Company issued renewable bonds with an aggregate principal amount of RMB16,500,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB16,489,155,000, net of the relevant expenses of issuance of RMB10,845,000.

Note 3: In April 2022, July 2022, and December 2022, the Company issued renewable bonds respectively with an aggregate principal amount of RMB11,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 or 310 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and in similar industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB10,993,335,000, net of the relevant expenses of issuance of RMB6,665,000. In 2025, the Company redeemed a portion of the above-mentioned perpetual bonds, with the redemption principal amounting to RMB8,700,000,000. The difference of RMB5,291,000 between the principal repaid and the carrying amount was credited to the capital reserve.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 4: In June 2021, November 2021 and December 2021, the Company issued renewable bonds respectively with an aggregate principal amount of RMB9,600,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points. The maximum nominal interest rate has not exceeded the average interest rate of the instruments with similar type and in similar industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB9,593,972,000, net of the relevant expenses of issuance of RMB6,028,000. In 2024, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB5,300,000,000. The differences between redeemed principal and the carrying amount of RMB3,276,000 are included in capital reserve.

Note 5: In June 2023 and December 2023, the Company issued renewable bonds respectively with an aggregate principal amount of RMB4,200,000,000. Pursuant to the terms of the renewable bonds, for the phase-I renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points; and for the phase-II renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 200 basis points. The maximum nominal interest rate has not exceeded the average interest rate of the instruments of similar type and in similar industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB4,196,933,000, net of the relevant expenses of issuance of RMB3,067,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 6: In September 2023, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third interest payment date of the medium-term notes or each of the interest payment date thereafter, the Company has an option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,466,000, net of the relevant expenses of issuance of RMB4,534,000.

Note 7: In October 2022, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments with similar type and in similar industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third interest payment date of the medium-term notes or each of the interest payment date thereafter, the Company has an option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,372,000, net of the relevant expenses of issuance of RMB4,628,000. In 2025, the company redeemed all of the above renewable bonds with a principal of RMB3,000,000,000, and the difference between the principal amount repaid and the book balance of RMB4,628,000 was included in the capital reserve.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 8: In April 2025, and May 2025, the Company issued renewable bonds respectively with an aggregate principal amount of RMB12,650,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and in similar industry during the same period. At the end of each term, the Company has an option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and it is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB12,646,281,000, net of the relevant expenses of issuance of RMB3,719,000.

Note 9: In March 2025, the Company issued medium-term notes with an aggregate principal amount of RMB1,800,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and in similar industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and it is not subject to any restrictions as to the number of times the distribution can be deferred. At each interest reset date of the medium-term notes, the Company has an option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,798,679,000, net of the relevant expenses of issuance of RMB1,321,000.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 10: In March 2025, the Company issued medium-term notes with an aggregate principal amount of RMB2,200,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points. The maximum nominal interest rate should not exceed the average interest rate of the instruments of similar type and in similar industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At each interest reset date of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,198,587,000, net of the relevant expenses of issuance of RMB1,413,000.

44. Capital reserve

RMB'000

	1 January 2025	Increase	Decrease	31 December 2025
Share premium	47,980,021	–	1,905,491	46,074,530
Relocation compensation granted by government	160,961	–	–	160,961
Others	(176,919)	58,229	–	(118,690)
Total	47,964,063	58,229	1,905,491	46,116,801

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income

Accumulated balances of other comprehensive income attributable to owners of the Company in the consolidated statement of financial position:

For the year ended 31 December 2025:

RMB'000

	1 January 2025	Increase/ (decrease)	31 December 2025
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	301,747	(171,691)	130,056
Changes in fair value of other debt investments	1,994	(175,179)	(173,185)
Effect of deferred tax from changes in fair value of other debt investments	(151)	43,795	43,644
Changes in fair value of other equity instrument investments	1,301,441	232,785	1,534,226
Effect of deferred tax from changes in fair value of other equity instrument investments	(259,858)	(62,175)	(322,033)
Changes in fair value of receivables at FVTOCI	(6,602)	3,991	(2,611)
Effect of deferred tax from changes in fair value of receivables at FVTOCI	610	(772)	(162)
Exchange differences on translation of foreign operations	(2,340,070)	159,687	(2,180,383)
Other comprehensive income carried forward to retained earnings	(188,493)	(33,143)	(221,636)
Remeasurement gains or losses of a defined benefit plan	(116,396)	(262)	(116,658)
Total	(1,305,778)	(2,964)	(1,308,742)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

Accumulated balances of other comprehensive income attributable to owners of the Company in the consolidated statement of financial position: (Continued)

2024:

RMB'000

	1 January 2024	Increase/ (decrease)	31 December 2024
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	240,019	61,728	301,747
Changes in fair value of other debt investments	10,310	(8,316)	1,994
Effect of deferred tax from changes in fair value of other debt investments	(2,230)	2,079	(151)
Changes in fair value of other equity instrument investments	614,157	687,284	1,301,441
Effect of deferred tax from changes in fair value of other equity instrument investments	(167,134)	(92,724)	(259,858)
Changes in fair value of receivables at FVTOCI	(1,487)	(5,115)	(6,602)
Effect of deferred tax from changes in fair value of receivables at FVTOCI	(382)	992	610
Exchange differences on translation of foreign operations	(1,260,186)	(1,079,884)	(2,340,070)
Other comprehensive income carried forward to retained earnings	16,730	(205,223)	(188,493)
Remeasurement gains or losses of a defined benefit plan	(117,291)	895	(116,396)
Total	(667,494)	(638,284)	(1,305,778)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

Other comprehensive income in the statement of profit or loss:

For the year ended 31 December 2025:

RMB'000

	Other comprehensive income before tax	Less: Other comprehensive income carried forward to retained earnings	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss:					
Changes in fair value of other equity instrument investments	242,647	33,143	62,175	137,467	9,862
The change in the net liability arising from the remeasurement of the defined benefit plan	460	–	722	(262)	–
Other comprehensive income to be reclassified to profit or loss:					
Share of other comprehensive income of the investee under the equity method	(171,691)	–	–	(171,691)	–
Changes in fair value of other debt investments	(188,989)	–	(47,247)	(131,384)	(10,358)
Changes in fair value of receivables at FVTOCI	5,200	–	772	3,219	1,209
Exchange differences on translation of foreign operations	148,080	–	–	159,687	(11,607)
Subtotal	35,707	33,143	16,422	(2,964)	(10,894)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

Other comprehensive income in the statement of profit or loss: (Continued)

2024:

RMB'000

	Other comprehensive income before tax	Less: Other comprehensive income carried forward to retained earnings	Less: Income tax effect	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss:					
Changes in fair value of other equity instrument investments	774,148	242,070	92,724	352,490	86,864
The change in the net liability arising from the remeasurement of the defined benefit plan	1,538	(36,847)	644	37,742	(1)
Other comprehensive income to be reclassified to profit or loss:					
Share of other comprehensive income of the investee under the equity method	61,728	–	–	61,728	–
Changes in fair value of other debt investments	(5,248)	–	(1,312)	(6,237)	2,301
Changes in fair value of receivables at FVTOCI	(6,674)	–	(992)	(4,123)	(1,559)
Exchange differences on translation of foreign operations	(1,101,281)	–	–	(1,079,884)	(21,397)
Subtotal	(275,789)	205,223	91,064	(638,284)	66,208

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Special reserve

RMB'000

	1 January 2025	Increase	Decrease	31 December 2025
Production safety expenses	–	17,702,437	17,702,437	–

47. Surplus reserve

RMB'000

	1 January 2025	Increase	Decrease	31 December 2025
Statutory surplus reserve	6,789,771	–	–	6,789,771

In accordance with the Company Law and the Company's articles of association, the Company appropriated 10% of the net profit to the surplus reserve, which is limited to 50% of the Company's registered capital.

The Company and certain of its subsidiaries are authorised to allocate the discretionary surplus reserve from profit after tax after the allocation of the statutory reserve. Upon approval, the discretionary surplus reserve can be used to offset previous years' losses or increase the share capital.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Retained earnings

RMB'000

	2025	2024
Retained earnings at the beginning of the year	197,055,973	181,825,095
Net profit attributable to owners of the Company	18,362,618	22,215,074
Less: Cash dividend declared for ordinary shares *(Note 1)*	4,073,862	4,752,840
Interest distributed to other equity instruments holders *(Note 2)*	2,389,779	2,436,579
Others	33,143	205,223
Retained earnings at the end of the year	208,988,093	197,055,973

Note 1: In accordance with the resolution at the 2024 annual general meeting of shareholders on 20 June 2025, the Company declared a cash dividend for the year ended 31 December 2025 of RMB0.30 per share (2024: RMB0.35 per share), which amounted to RMB4,073,862,000 (2024:RMB4,752,840,000) based on 13,579,541,500 ordinary shares in issue. The above dividend has been paid after the general meeting of shareholders.

Note 2: For the year ended 31 December 2025, the Company accrued interest on other equity instruments holders amounting to RMB2,389,779,000 (2024: RMB2,436,579,000).

49. Revenue and cost of sales

(1) Revenue and cost of sales

RMB'000

	2025		2024	
	Revenue	Cost of sales	Revenue	Cost of sales
Revenue from principal operations	1,020,936,506	923,268,173	1,058,014,579	951,090,941
Other operating revenue	8,847,954	6,398,795	9,156,758	6,510,847
Total	1,029,784,460	929,666,968	1,067,171,337	957,601,788

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(2) Disaggregation of revenue

For the year ended 31 December 2025:

RMB'000

Operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	66,424,957	18,414,987	1,621,575	21,683,818	108,145,337
Over time	896,787,896	–	–	15,128,806	6,259,798	918,176,500
Revenue arising from leases	–	138,716	730,404	92,064	2,501,439	3,462,623
Total	896,787,896	66,563,673	19,145,391	16,842,445	30,445,055	1,029,784,460

For the year ended 31 December 2024:

RMB'000

Operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	71,653,114	18,216,353	3,847,149	36,160,733	129,877,349
Over time	913,107,758	–	250,309	14,097,512	7,331,915	934,787,494
Revenue arising from leases	–	237,317	718,411	–	1,550,766	2,506,494
Total	913,107,758	71,890,431	19,185,073	17,944,661	45,043,414	1,067,171,337

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(3) Disaggregation of cost of sales

For the year ended 31 December 2025:

RMB'000

Operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	60,607,633	13,500,093	1,125,434	17,037,490	92,270,650
Over time	821,278,396	–	–	9,322,743	4,726,741	835,327,880
Cost arising from leases	–	144,688	475,235	42,929	1,405,586	2,068,438
Total	821,278,396	60,752,321	13,975,328	10,491,106	23,169,817	929,666,968

For the year ended 31 December 2024:

RMB'000

Operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	63,951,654	13,416,189	3,474,465	31,570,875	112,413,183
Over time	831,548,340	–	–	6,907,792	4,361,999	842,818,131
Cost arising from leases	–	34,851	448,224	–	1,887,399	2,370,474
Total	831,548,340	63,986,505	13,864,413	10,382,257	37,820,273	957,601,788

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(4) Performance obligation

Revenue from:

RMB'000

	For the year ended 31 December 2025	For the year ended 31 December 2024
Contract liabilities at the beginning of the year	**88,175,371**	105,382,337

The construction services provided by the Group are mainly identified as single performance obligation and met the criteria of performance obligation performed over time. As at 31 December 2025, for the construction services in progress, the transaction prices allocated to their unsatisfied (including partially unsatisfied) performance obligations are based on their performance progress over the relevant construction contract periods and would be recognised as revenue based on their performance progress in future construction contract periods.

50. Taxes and surcharges

RMB'000

	2025	2024
CCT	**845,179**	846,679
Property tax	**409,990**	385,370
Stamp duty	**674,130**	700,038
Others	**2,105,053**	1,697,284
Total	**4,034,352**	3,629,371

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Selling and distribution expenses

RMB'000

	2025	2024
Employee compensation costs	**3,147,734**	3,261,602
Advertising and publicity expenses	**2,089,212**	2,199,711
Others	**1,175,036**	1,374,813
Total	**6,411,982**	6,836,126

52. General and administrative expenses

RMB'000

	2025	2024
Employee compensation costs	**15,117,670**	16,185,207
Depreciation expenses of fixed assets	**864,837**	967,000
Office, travelling and transportation expenses	**966,724**	1,183,750
Others	**3,189,114**	3,992,644
Total	**20,138,345**	22,328,601

In 2025, the above-mentioned administrative expenses included fees for audit totaling RMB25,623,000 (In 2024:RMB27,308,000).

53. Research and development expenses

RMB'000

	2025	2024
Employee compensation costs and material costs	**23,595,966**	25,713,270

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Finance costs

RMB'000

	2025	2024
Interest expenses	**18,296,933**	15,646,941
Less: Interest income	**3,935,705**	3,767,214
Less: Interest capitalised	**5,224,295**	6,011,684
Exchange gains	**(857,547)**	(392,061)
Bank charges and others	**2,692,171**	2,470,316
Total	**10,971,557**	7,946,298

The amount of capitalised interest had been included in the balances of construction in progress (Note V. 21), intangible assets (Note V. 23) and properties under development (Note V. 8 (3)).

55. Other Income

RMB'000

	2025	2024
Government grants related to daily activities	**508,945**	523,620
Others	**305,885**	217,496
Total	**814,830**	741,116

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Investment Income/(losses)

RMB'000

	2025	2024
Share of losses of long-term equity investments under the equity method	**(137,354)**	(380,154)
Investment income from disposal of long-term equity investments	**1,437,395**	77,209
Losses from derecognition of financial assets measured at amortised cost	**(1,864,596)**	(1,808,684)
Investment income from holding other equity instrument investments	**257,290**	153,800
Investment income from holding and disposal of held-for-trading financial assets and other financial assets	**421,003**	299,016
Investment income from holding debt investments	**289,863**	160,651
Others	**174,687**	202,425
Total	**578,288**	(1,295,737)

57. Impairment of credit losses

RMB'000

	2025	2024
Losses from impairment of receivables	**(5,061,351)**	(4,755,917)
(Losses from impairment)/reversal of impairment on loans customers	**(5,774)**	10,481
Losses from impairment on debt investment	**(44,404)**	(1,312,792)
Total	**(5,111,529)**	(6,058,228)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Impairment losses on assets

RMB'000

	2025	2024
Losses from impairment of contract assets	**(863,319)**	(663,755)
Losses from decline in value of inventories	**(2,811,042)**	(1,970,918)
Losses from impairment of intangible assets	**(102,651)**	(228,905)
Losses from impairment of goodwill	**–**	(5,855)
Others	**(31,236)**	(168,606)
Total	**(3,808,248)**	(3,038,039)

59. Non-operating income

RMB'000

	2025	2024	Non- recurring profit or loss of the year
Government grants	**11,048**	72,365	11,048
Approved unpayable balances	**293,616**	320,826	293,616
Gains on compensation, penalties and fines	**353,804**	335,776	353,804
Others	**354,004**	220,875	354,004
Total	**1,012,472**	949,842	1,012,472

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

59. Non-operating income (Continued)

Government grants credited to profit or loss for the period are listed as follows:

RMB'000

	2025	2024	Related to assets/income
Enterprise development funds	201,285	252,253	Related to assets/income
Refund of taxes	19,605	54,333	Related to income
Others	299,103	289,399	Related to assets/income
Total	519,993	595,985	–
Including: Other income	508,945	523,620	–
Non-operating income	11,048	72,365	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Non-operating expenses

RMB'000

	2025	2024	Non- recurring profit or loss of the year
Loss on compensation, penalties and fines	**487,131**	516,126	487,131
Donations	**53,410**	68,261	53,410
Others	**317,511**	173,973	317,511
Total	**858,052**	758,360	858,052

61. Costs and expenses classified by nature

Supplementary information of the Group's costs of sales, selling and distribution expenses, general and administrative expenses, research and development expenses categorised by nature is listed as follows:

RMB'000

	2025	2024
Cost of services rendered	**760,419,505**	771,801,557
Cost of goods sold	**90,661,282**	108,683,797
Employee benefits	**77,428,855**	80,707,614
Depreciation expenses on fixed assets (*Note V. 20*)	**19,331,311**	18,564,870
Research and development expenditure	**16,797,780**	19,477,321
Depreciation expenses on right-of-use assets (*Note V. 22*)	**3,350,709**	2,676,504
Amortisation expenses on intangible assets (*Note V. 23*)	**4,342,194**	2,020,276
Depreciation expenses on investment properties (*Note V. 19*)	**519,063**	364,200
Others	**6,962,562**	8,183,646
Total	**979,813,261**	1,012,479,785

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses

RMB'000

	2025	2024
Current tax expenses	7,050,237	6,332,619
Deferred tax expenses	(1,804,105)	(936,287)
Total	5,246,132	5,396,332

A reconciliation of the income tax expense applicable to profit before tax is listed as follows:

RMB'000

	2025	2024
Profit before tax	26,932,977	32,474,709
Income tax at the statutory income tax rate *(Note)*	6,733,244	8,118,677
Tax effect of preferential tax rates for some subsidiaries	(1,711,566)	(1,869,197)
Tax effect of share of profits and losses of joint ventures and associates	34,338	10,032
Effect of non-taxable income	(373,875)	(350,346)
Effect of non-deductible expenses	290,663	258,949
Effect of utilisation of deductible tax losses previously not recognised	(171,893)	(304,050)
Effect of utilisation of deductible temporary differences previously not recognised	(174,441)	(232,379)
Tax preference for qualifying research and development expenses	(1,580,290)	(1,711,793)
Effects of deductible losses not recognised as deferred tax assets in the current year	1,607,860	1,582,039
Effects of deductible temporary differences not recognised as deferred tax assets in the current year	979,400	861,288
Adjustments in respect of current income tax of previous periods	360,963	(52,044)
Interest on perpetual bonds deductible before tax	(663,368)	(753,599)
Others	(84,903)	(161,245)
Income tax expense	5,246,132	5,396,332

Note: The income tax of the Group which shall be paid in PRC is calculated based on the estimated taxable profit arising in China and the applicable tax rate. Tax arising from the taxable income in other jurisdictions is calculated at the respective statutory tax rates according to existing laws, interpretations and practices of the country or jurisdictions in which the Group operates.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share

RMB'000

	For the year ended 31 December 2025 RMB/share	For the year ended 31 December 2024 RMB/share
Basic earnings per share continuing operations	**1.18**	1.46
Diluted earnings per share continuing operations	**1.18**	1.46

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the year.

The numerator of diluted earnings per share shall be determined based on the current net profit attributable to the ordinary shareholders of the Company after adjusting the following factors: interest on diluted potential ordinary shares recognised as expenses in the current period; income or expenses that would be incurred on conversion of dilutive potential ordinary shares; and the income tax consequences of the above adjustments.

The denominator of diluted earnings per share is equal to the sum of the following two items: the weighted average number of ordinary shares issued by the parent company in the basic earnings per share; and the weighted average number of ordinary shares added assuming the conversion of dilutive potential ordinary shares into ordinary shares.

In calculating the weighted average of the number of ordinary shares increased by the conversion of dilutive potential ordinary shares into issued ordinary shares, the dilutive potential ordinary shares issued in previous periods are assumed to be converted at the beginning of the current period. Diluted potential ordinary shares issued in the current period are assumed to be converted at the issuance date.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Earnings per share (Continued)

Basic earnings per share and diluted earnings per share are calculated as follows:

RMB'000

	2025	2024
Earnings		
Net profit attributable to shareholders of the Company	**18,362,618**	22,215,074
Profit or loss from continuing operations	**18,362,618**	22,215,074
Less: at attributable to holder of other equity instruments (Note 1)	**2,389,779**	2,436,579
Net profit attributable to ordinary shareholders		
Attributable to:		
Profit or loss from continuing operations Shares	**15,972,839**	19,778,495
Weighted average number of ordinary shares issued by the Company	**15,972,839**	19,778,495
	13,579,541,500	13,579,541,500

Note 1: In accordance with the relevant clauses and regulations of renewable corporate bonds as stated in Note V. 43, in calculating the basic earnings per share, the dividends of other equity instruments included in the net profit attributable to shareholders of the parent company is deducted. The total amount of dividends accrued for the year ended 31 December 2025 is RMB2,389,779,000 (For the year ended 31 December 2024: RMB2,436,579,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to items in the statement of cash flows

(1) Cash from other operating activities

RMB'000

	2025	2024
Cash received from other operating activities:		
Income from sales of raw materials	**1,943,865**	2,705,790
Recovery of loans for cooperative development project	**12,377,863**	4,123,670
Security deposit and cash pledged	**2,143,338**	465,684
Others	**7,176,430**	8,493,800
Total	**23,641,496**	15,788,944
Cash paid for other operating activities:		
Advertising and publicity expenses	**2,089,212**	2,199,711
Office and travelling expenses	**1,386,079**	1,780,160
Repair and maintenance costs	**368,283**	454,558
Payment of loans for cooperative development project	**16,154,736**	7,075,431
Others	**8,454,629**	13,037,556
Total	**28,452,939**	24,547,416

(2) Cash from other financing activities

RMB'000

	2025	2024
Cash paid for other financing activities:		
Cash paid from redemption of other equity instruments	**29,213,540**	11,800,000
Cash paid for lease liabilities	**5,070,524**	2,722,000
Cash paid from acquisition of non-controlling interests	**11,003,501**	17,180,686
Others	**703,076**	911,972
Total	**45,990,641**	32,614,658

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Notes to items in the statement of cash flows (Continued)

(2) Cash from other financing activities (Continued)

Changes in various liabilities arising from financing activities are as follows:

RMB'000

Item	1 January 2025	Increase		Decrease		31 December 2025
		Changes in cash	Changes in non-cash	Changes in cash	Changes in non-cash	
Short- term loans	150,142,693	339,461,894	8,942,306	(329,677,421)	–	168,869,472
Long- term loans (including current portion of long- term loans)	281,386,136	142,847,741	46,875,866	(77,544,557)	–	393,565,186
Bonds payable (including current portion of bonds payable)	52,321,218	17,338,348	1,757,244	(13,861,124)	–	57,555,686
Lease liabilities (including current portion of lease liabilities)	6,452,125	–	7,544,168	(5,070,524)	(387,752)	8,538,017
Long- term payables (relating to financing)	3,406,702	453,466	65,217	(771,224)	–	3,154,161
Other payables (relating to financing)	5,324,311	–	–	–	(5,324,311)	–
Other payables (dividends payable)	1,296,068	–	9,722,121	(9,684,102)	–	1,334,087
Other current liabilities (short-term commercial paper)	2,011,724	7,999,914	52,782	(4,047,135)	–	6,017,285
Total	502,340,977	508,101,363	74,959,704	(440,656,087)	(5,712,063)	639,033,894

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows

(1) Supplementary information to the statement of cash flows

Reconciliation of net profit to cash flows generated from operating activities:

RMB'000

	2025	2024
Net profit	**21,686,845**	27,078,377
Add: Impairment losses on assets	**3,808,248**	3,038,039
Impairment of credit losses	**5,111,529**	6,058,228
Depreciation of fixed assets	**19,331,311**	18,564,870
Depreciation of right-of-use assets	**3,350,709**	2,676,504
Amortisation of intangible assets	**4,342,194**	2,020,276
Amortisation of investment properties	**519,063**	364,200
Amortisation of long- term prepayments	**304,196**	415,358
Gain from retirement and disposal of fixed assets, intangible assets and other long– term assets	**(329,109)**	(208,399)
Losses on fair value changes	**1,051,153**	1,466,842
Finance costs	**13,409,752**	8,243,094
Investment income	**(2,267,590)**	(203,774)
Increase in deferred tax assets	**(1,354,319)**	(933,866)
Decrease in deferred tax liabilities	**(452,715)**	(2,421)
Decrease in inventories	**17,378,757**	19,555,516
Increase in contract assets	**(70,847,850)**	(13,143,162)
Increase in operating receivables	**(45,419,451)**	(137,710,729)
Increase in operating payables	**33,770,084**	32,081,885
Decrease/(increase) in the deposits with the central bank	**248,667**	(784,670)
Increase in other restricted monetary funds	**(684,497)**	–
Net cash flows generated from operating activities	**2,956,977**	(31,423,832)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows (Continued)

(1) Supplementary information to the statement of cash flows (Continued)

Significant investing and financing activities not involving cash:

RMB'000

	2025	2024
Net increase in financial liabilities	**51,459,462**	45,332,706
Increase in right-of-use assets	**7,286,080**	3,638,498
Amount of inventory transferred to fixed assets and investment property	**2,212,442**	3,852,863
Total	**60,957,984**	52,824,067

Net change in cash and cash equivalents:

RMB'000

	2025	2024
Cash at the end of the year	**168,875,730**	161,550,931
Less: Opening balance of cash	**161,550,931**	150,866,988
Add: Closing balance of cash equivalents	**4,432,522**	5,820,689
Less: Opening balance of cash equivalents	**5,820,689**	1,770,789
Net increase in cash and cash equivalents	**5,936,632**	14,733,843

(2) Cash and cash equivalents

RMB'000

	31 December 2025	31 December 2024
Cash	**168,875,730**	161,550,931
Including: Cash on hand	**79,044**	57,041
Cash with banks/financial institutions without restriction	**168,796,686**	161,493,890
Cash equivalents	**4,432,522**	5,820,689
Closing balance of cash and cash equivalents	**173,308,252**	167,371,620

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows (Continued)

(3) Vendor financing arrangements

The Group handles reverse factoring business through banks to provide factoring services for the Group's accounts payable to relevant suppliers. The banks agree to transfer the accounts receivable from designated suppliers to the Group for reasons such as selling goods and providing services to the Group, and provide financing services to relevant suppliers. Factoring is at the discretion of the supplier and the participating supplier can receive payment from the bank in advance. The payment terms between the Group and the supplier have not changed due to the reverse factoring arrangement, and the Group has not provided guarantees to banks.

The Group handles reverse factoring business through the supply chain financial service platform provided by financial institutions. The original creditor (supplier of the Group) initiates an application through the platform and provides accounts receivable information and trade background information. After the platform reviews, the electronic creditor's rights voucher is generated and submitted to the Group for confirmation through the platform. The Group's payment obligations under electronic creditor's rights certificates are unconditional and irrevocable, and are not affected by commercial disputes between parties involved in the circulation of electronic creditor's rights certificates. The Group does not claim set-off or defend against the payment liability. The Group will transfer an amount equal to the amount under the electronic creditor's rights certificate on the payment date according to the business rules of the platform.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the consolidated statement of cash flows (Continued)

(3) Vendor financing arrangements (Continued)

Information on financial liabilities related to supplier financing is as follows:

RMB'000

	31 December 2025		
	Including:		
	Gross carrying amount	Amount received by suppliers	Maturity range
Trade payables	117,285,265	85,854,547	6-12 months

RMB'000

	31 December 2024		
	Including:		
	Gross carrying amount	Amount received by suppliers	Maturity range
Trade payables	125,149,928	87,608,769	6-12 months

The payment maturity range of the Group's supplier financing arrangements is basically within one year, which is basically consistent with the maturity range of comparable accounts payable.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Foreign currency monetary items

RMB'000

	Closing balance of foreign currencies	Exchange rate	Closing balance in RMB
Cash and bank balances			20,757,176
USD	833,581	6.9972	5,832,734
NGN	613,988,333	0.0048	2,947,144
EUR	327,841	8.2107	2,691,808
MOP	1,893,786	0.8728	1,652,896
Others			7,632,594
Accounts receivables			11,262,174
USD	409,178	6.9972	2,863,102
NGN	319,224,375	0.0048	1,532,277
EUR	164,800	8.2107	1,353,123
Others			5,513,672
Other receivables			2,629,742
AED	343,595	1.9053	654,651
THB	1,033,138	0.2221	229,460
DZD	3,647,037	0.0540	196,940
Others			1,548,691
Accounts payables			8,915,592
DZD	31,013,593	0.0540	1,674,734
USD	212,224	6.9972	1,484,974
SAR	584,620	1.8659	1,090,843
Others			4,665,041
Other payables			1,702,599
NGN	110,255,625	0.0048	529,227
Others			1,173,372
Short- term loans			4,101,212
EUR	404,217	8.2107	3,318,907
USD	111,803	6.9972	782,305
Others			–
Long-term loans (including long-term loans due within one year)			445,622
USD	2,817	6.9972	19,713
Others			425,909
Bonds payable (including current portion of bonds payable)			4,595,718
EUR	302,432	8.2107	2,483,175
USD	301,913	6.9972	2,112,543

Note: The Group's main operating location is Mainland China and its overseas markets spread across 100 countries and regions. There are no individually material foreign operations, and the foreign operations determine the functional currencies according to the currencies of the principal economic environments in which they operate. The Company, the subsidiaries, and the foreign operations determined the foreign currency monetary items mentioned above in accordance with their functional currencies respectively.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VI. CHANGES OF CONSOLIDATION SCOPE

1. Business combinations not involving enterprises under common control

The Group acquired several entities through business combination not under common control, including Liuzhou Zhongbei Construction Investment Management Co., Ltd. and CRCC Langfang Development and Construction Co., Ltd. etc. and so they were included in the consolidation scope of the Group. The individual amount of these subsidiaries' assets, liabilities, operating income etc. was not material at the acquisition date. This transaction resulted in an increase of RMB3,033,436,000 in the Group's total assets after deducting the acquisition consideration, and an increase of RMB2,970,015,000 in the Group's total liabilities.

2. Disposal of subsidiaries

In 2025, the entities that are no longer included in the consolidation scope due to disposal of subsidiaries or other reasons are immaterial and therefore are not listed here.

3. Others

The Group included China Railway Construction Investment (Shandong) Dongyang Expressway Co., Ltd. and Chongqing Tiefa Shuanghe Expressway Co., Ltd. into its consolidation scope through the acquisition of assets. This transaction resulted in an increase of RMB52,637,313,000 in the Group's total assets after deducting the acquisition consideration, and an increase of RMB50,005,982,000 in the Group's total liabilities.

RMB'000

	Fair value at acquisition date
Intangible assets	**38,068,244**
Other non-current assets	**9,389,106**
Other assets	**14,441,382**
Total liabilities	**(50,005,982)**
Fair value of identifiable net assets on acquisition date	**11,892,750**
Consideration	**9,261,419**
Including: Satisfied by cash	**3,899,339**
Book value of the equity interests previously held by the Group	**5,362,080**

VII. EQUITY IN OTHER ENTITIES

1. Subsidiaries

(1) Composition of the enterprise group

RMB'000

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion % Direct	Indirect
The significant subsidiaries acquired through establishing or investment						
China Civil Engineering Construction Corporation	Beijing	Beijing	Construction	3,000,000	100.00	–
China Railway 11th Bureau Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction	6,162,382	100.00	–
China Railway 12th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	5,060,677	100.00	–
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,700,000	100.00	–
China Railway 14th Bureau Group Co., Ltd.	Jinan, Shandong	Jinan, Shandong	Construction	3,391,534	79.02	–
China Railway 15th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	3,000,000	100.00	–
China Railway 16th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	4,430,000	100.00	–
China Railway 17th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	3,021,226	100.00	–
China Railway 18th Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,523,404	80.30	–
China Railway 19th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	5,586,000	100.00	–
China Railway 20th Bureau Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Construction	3,385,831	70.41	–
China Railway 21st Bureau Group Co., Ltd.	Lanzhou, Gansu	Lanzhou, Gansu	Construction	2,038,000	100.00	–
China Railway 22nd Bureau Group Co., Ltd.	Beijing	Beijing	Construction	2,000,000	100.00	–
China Railway 23rd Bureau Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Construction	2,000,000	100.00	–
China Railway 24th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	2,000,000	100.00	–

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(1) Composition of the enterprise group (Continued)

RMB'000

Company name	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion % Direct	Indirect
China Railway 25th Bureau Group Co., Ltd.	Guangzhou Guangdong	Guangzhou, Guangdong	Construction	2,007,800	100.00	–
China Railway First Survey and Design Institute Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Plan, design and consultancy	1,070,000	100.00	–
China Railway Fourth Survey and Design Institute Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Plan, design and consultancy	1,052,500	100.00	–
China Railway Construction Group Co., Ltd.	Beijing	Beijing	Construction	3,502,971	100.00	–
China Railway Construction Electrification Bureau Group Co., Ltd.	Beijing	Beijing	Construction	3,800,000	100.00	–
China Railway Material Group Co., Ltd.	Beijing	Beijing	Purchase and sales of goods and materials	3,023,400	100.00	–
CRCC High- Tech Equipment Corporation Limited	Kunming, Yunnan	Kunming, Yunnan	Manufacturing operations	1,519,884	63.70	1.30
China Railway Construction Real Estate Group Co., Ltd.	Beijing	Beijing	Real estate development and operation	7,000,000	100.00	–
China Railway Construction Heavy Industry Corporation Limited	Changsha, Hunan	Changsha, Hunan	Manufacturing operations	5,333,497	71.93	0.36
China Railway Construction Investment Group Co., Ltd.	Zhuhai, Guangdong	Zhuhai, Guangdong	Project investment, Construction	12,067,086	100.00	–
CRCC Finance Company Limited	Beijing	Beijing	Financial services	9,000,000	94.00	–
China Railway Construction Corporation (International) Limited	Beijing	Beijing	Construction	3,012,500	100.00	–
CRCC Capital Holdings Group Co., Ltd.	Beijing	Beijing	Financial services	5,000,000	100.00	–
China Railway Urban Construction Group Co., Ltd.	Changsha, Hunan	Changsha, Hunan	Construction	2,789,839	71.69	–
CRCC Kunlun Investment Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Project investment, Construction	5,087,166	100.00	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows:

RMB'000

Subsidiary	Shareholding proportion *(%)*	Net profit or loss attributable to non-controlling interests	Dividends distributed to non-controlling shareholders	Accumulated balances of non-controlling interests at the reporting date
China Railway 14th Bureau Group Co., Ltd. *(Note)*	20.98	254,794	255,646	7,449,478
China Railway Construction Heavy Industry Corporation Limited	27.71	411,151	125,659	5,173,040
China Railway 20th Bureau Group Co., Ltd. *(Note)*	29.59	229,344	233,407	4,357,411
China Railway 18th Bureau Group Co., Ltd. *(Note)*	19.70	190,599	183,369	4,062,699

Note: The above mentioned subsidiaries issued financial instruments, such as outstanding renewable corporate bonds and medium-term notes, which are recognised in other equity instruments and presented under the line item of "non-controlling interests" in the consolidated balance sheet of the Group. The shareholding proportion of minority shareholders of these subsidiaries represents the proportion of equity interests held by minority shareholders other than holders of other equity instruments.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(3) The main financial information of the subsidiaries with significant non-controlling interests are listed as follows:

The main financial information of the aforementioned subsidiaries are listed as follows. These figures represent the amounts before any offsetting among the enterprises within the group:

For the year ended 31 December 2025

RMB'000

	China Railway 14th Bureau Group Co., Ltd.	China Railway Construction Heavy Industry Corporation Limited	China Railway 20th Bureau Group Co., Ltd.	China Railway 18th Bureau Group Co., Ltd.
Current assets	64,263,180	17,426,211	71,152,653	81,783,175
Non-current assets	45,760,409	9,870,833	20,864,317	28,107,694
Total assets	110,023,589	27,297,044	92,016,970	109,890,869
Current liabilities	86,377,243	8,182,095	67,531,234	83,873,888
Non- current liabilities	7,596,492	503,576	14,334,808	13,019,589
Total liabilities	93,973,735	8,685,671	81,866,042	96,893,477
Revenue	79,787,045	10,045,299	45,029,381	78,030,340
Net profit	1,449,727	1,483,130	972,295	1,783,375
Total comprehensive income	1,449,727	1,488,028	949,957	1,760,561
Net cash flows from/(used in) operating activities	950,239	1,100,911	197,957	846,514

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(3) The main financial information of The subsidiaries with significant non-controlling interests are listed as follows:

For the year ended 31 December 2024

RMB'000

	China Railway Construction Investment Group Co., Ltd.	CRCC Kunlun Investment Group Co., Ltd.	China Railway 14th Bureau Group Co., Ltd.	China Railway Construction Heavy Industry Corporation Limited	China Railway Construction Group Co., Ltd.
Current assets	30,748,871	23,538,781	67,766,785	16,508,439	89,728,522
Non- current assets	161,383,709	101,796,570	38,375,133	10,203,406	25,245,752
Total assets	192,132,580	125,335,351	106,141,918	26,711,845	114,974,274
Current liabilities	66,285,202	53,659,011	84,394,715	7,555,880	88,604,921
Non-current liabilities	92,199,199	44,387,386	6,389,947	1,578,871	12,384,665
Total liabilities	158,484,401	98,046,397	90,784,662	9,134,751	100,989,586
Revenue	38,608,763	35,992,819	80,901,299	10,046,044	63,001,288
Net profit	798,519	845,893	1,341,701	1,508,201	557,433
Total comprehensive income	1,204,174	845,893	1,341,701	1,502,809	565,715
Net cash flows from/ (used in) operating activities	1,384,406	3,815,797	(4,044,423)	2,044,584	(2,853,443)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates

(1) Principal joint ventures or associates

	Principal place of business	Place of registration	Principal activities	Shareholding proportion % Direct	Shareholding proportion % Indirect	Measurement of joint ventures and associates
Joint ventures						
Sichuan Chengmian Cangba Expressway Co., Ltd.	Mianyang, Sichuan	Mianyang, Sichuan	Highway Project Construction &Management	39.5	–	Equity method
Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Kunming, Yunnan	Kunming, Yunnan	Investment in Rail Transit Construction	54.4	–	Equity method
Associates						
CRCC Financial Leasing Co., Ltd.	Tianjin	Tianjin	Finance Lease	50.0	–	Equity method
CRCC-Tongguan Investment Co., Ltd.	Tongling Anhui	Tongling Anhui	Mining investment & mine development technical	30.0	–	Equity method

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(2) Major financial information of principal joint ventures

The financial information of Kunming Metro Line 5 Construction and Operation Co., Ltd. is listed as follows. These financial figures have been adjusted for accounting policy differences and have been adjusted to the book value of this financial statement：

RMB'000

	31 December 2025	31 December 2024
Total assets	22,860,287	23,069,082
Total liabilities	15,872,997	16,418,141
Non- controlling interests	–	–
Total equity attributable to owners of the Company	6,987,290	6,650,941
The net assets multiplied by the shareholding proportion	3,801,086	3,618,112
Adjustment event – Others	(21,997)	158,067
Carrying amount of investments in the joint ventures attributable to the Group	3,779,089	3,776,179

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(2) Major financial information of principal joint ventures (Continued)

	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	426,000	307,681
Finance costs	(422,492)	(362,408)
Income tax expenses	(58,795)	(53,894)
Net profit	5,349	(5,008)
Other comprehensive income	–	–
Total comprehensive income	5,349	(5,008)
Dividends from joint ventures for the year	–	132,133

The financial information of Sichuan Chengmian-Cangba Expressway Co., Ltd. is listed as follows. These financial figures have adjusted for accounting policy differences and have been adjusted to the book value of this financial statement：

RMB'000

	31 December 2025	31 December 2024
Total assets	61,704,993	52,828,580
Total liabilities	50,811,971	41,734,714
Non- controlling interests	–	–
Total equity attributable to owners of the Company	10,893,022	11,093,866
The net assets multiplied by the shareholding proportion	4,302,744	4,382,077
Adjustment event – Others	(989)	1,044
Carrying amount of investments in the joint ventures attributable to the Group	4,301,755	4,383,121

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(2) Major financial information of principal joint ventures (Continued)

	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	342,327	1,425
Finance costs	433,923	553,960
Income tax expenses	(291)	115
Net profit	(605,991)	(683,122)
Other comprehensive income	–	–
Total comprehensive income	(605,991)	(683,122)

(3) Major financial information of principal associates

The financial information of CRCC Financial Leasing Co., Ltd. is listed as follows. These financial figures have adjusted for accounting policy differences and have been adjusted to the book value of this financial statement:

RMB'000

	31 December 2025	31 December 2024
Total assets	40,143,188	41,669,857
Total liabilities	32,597,076	34,462,422
Non- controlling interests	–	–
Total equity attributable to owners of the Company	7,546,112	7,207,435
The net assets multiplied by the shareholding proportion	3,773,056	3,603,718
Adjustment event		
– Unrealized profits from internal transactions	(308,373)	(338,241)
– Others	1,955	2,480
Carrying amount of investments in the joint ventures attributable to the Group	3,466,638	3,267,957

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(3) Major financial information of principal associates (Continued)

	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	3,673,499	3,445,408
Finance costs	670	1,257
Income tax expenses	147,127	132,214
Net profit	440,912	382,541
Other comprehensive income	1,051	(154)
Total comprehensive income	441,963	382,387

The financial information of CRCC-Tongguan Investment Co., Ltd. is listed as follows. These financial figures have adjusted for accounting policy differences and have been adjusted to the book value of this financial statement：

RMB'000

	31 December 2025	31 December 2024
Total assets	18,947,594	19,723,106
Total liabilities	9,643,964	8,637,510
Non- controlling interests	–	–
Total equity attributable to owners of the Company	9,303,630	11,085,596
The net assets multiplied by the shareholding proportion	2,791,089	3,325,679
Adjustment event – Others	–	(2,751)
Carrying amount of investments in the associates attributable to the Group	2,791,089	3,322,928

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(3) Major financial information of principal associates (Continued)

	For the year ended 31 December 2025	For the year ended 31 December 2024
Revenue	11,686,389	8,027,487
Finance costs	151,297	186,907
Income tax expenses	3,471,842	947,741
Net profit	2,109,037	1,487,129
Other comprehensive income	(526,157)	106,547
Total comprehensive income	1,582,880	1,593,676
Dividends from associates for the year	1,006,703	–

(4) The aggregate financial information of individually insignificant joint ventures and associates

RMB'000

	31 December 2025	31 December 2024
Equity in joint ventures		
Carrying amount of investments	52,161,460	56,434,323
The total amounts calculated based on the shareholding ratios of the following items		
Net losses	(1,358,618)	(674,823)
Other comprehensive income	71,552	(3,887)
Total comprehensive income	(1,287,066)	(678,710)

RMB'000

	31 December 2025	31 December 2024
Equity in associates		
Carrying amount of investments	82,783,249	82,799,892
The total amounts calculated based on the shareholding ratios of the following items		
Net profit	603,946	(73,298)
Other comprehensive income	(17,198)	(3,961)
Total comprehensive income	586,748	(77,259)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

3. Equity in structured entities that have not been merged into the consolidated financial statements

As at 31 December 2025, the scale of major structured entities that the Group participated in and that were not included in the consolidated financial statements totalled approximately RMB46,770,859,000 (31 December 2024: RMB43,969,089,000). Among them, the subscription amount of the Group was approximately RMB21,102,873,000 (31 December 2024: RMB14,962,251,000) and that of other investors was approximately RMB25,667,986,000 (31 December 2024: RMB29,006,838,000). The Group has no control over this category of structured entity, so the structured entities have not been merged into the consolidated financial statements. As at 31 December 2025, the actual subscription amount paid by the Group was approximately RMB8,929,646,000 (31 December 2024: RMB7,838,503,000), which was accounted in other non-current financial assets. The Group's largest risk exposure in these structured entities is the amount of capital contributed by the Group as of the end of the reporting period. The Group has no obligation or intention to provide financial support to the structured entities.

As at 31 December 2025, the Group's cumulative issuance amount of asset-backed securities was RMB69,931,000,000 (31 December 2024: RMB81,150,000,000). The subordinated tranche of the asset-backed securities was RMB4,099,300,000 (31 December 2024: RMB4,242,800,000). On 31 December 2025, the subordinated tranche of asset-backed securities held by the Group was RMB948,000,000 (31 December 2024: RMB983,500,000), of which RMB528,400,000 (31 December 2024: RMB404,000,000) was accounted in held-for-trading financial assets and RMB419,600,000 (31 December 2024: RMB579,500,000) was accounted in other non-current financial assets. As for asset-backed securities issued by the Group, it promises to, upon issuance of some asset-backed securities, provide paid temporary liquidity support for the principal of priority asset-backed securities and the difference between the expected returns and the distributable funds for each period of the asset-backed securities special plan, but the Group did not provide such support for some asset-backed securities upon their issuance. The Group assesses that the possibility of triggering liquidity support in the future is minimal.

VIII. GOVERNMENT GRANTS

1. Liabilities related to government grants

RMB'000

	Opening balance	Addition	Recognized as non-operating income	Recognized as other income	Recognized as others	Closing balance	Related to Asset/ Income
Enterprise development funds	404,209	62	–	(2,749)	(56,548)	344,974	Related to Asset/Income
Research grant	95,813	45,238	–	(71,526)	(1,953)	67,572	Related to Asset/Income
Others	310,785	188,662	(806)	(23,894)	(9,122)	465,625	Related to Asset/Income
Total	810,807	233,962	(806)	(98,169)	(67,623)	878,171	

2. Government grants credited to profit or loss for the period are listed as follows

RMB'000

	2025	2024
Asset-related	**19,715**	**6,811**
Recognized as other income	**19,715**	**4,483**
Recognized as non-operating income	**–**	**2,328**
Income-related	**500,278**	**589,174**
Recognized as other income	**489,230**	**519,137**
Recognized as non-operating income	**11,048**	**70,037**
Total	**519,993**	**595,985**

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

1. Financial instrument risks

The Group's activities expose it to a variety of financial risks: mainly include credit risk, liquidity risk and market risk The risk management policy of this group is outlined below.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies specify specific risks, covering market risk, credit risk and liquidity risk management. The management will hold meetings at least four times a year to analyse and make plans to manage these risks. Besides, the board will hold meetings at least twice a year to discuss and approve the suggestions from management. Generally, the Group introduces conservative strategies in risk management. As these risks for the Group are kept at a low level, the Group does not use any derivative instrument and other instruments to hedge these risks in the whole year.

(1) Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable and contract assets balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

Since the counterparties of monetary funds, bank acceptance bills receivable are banks with good reputations and high credit ratings, these financial instruments have low credit risks.

Other financial assets of the Group include notes receivable, accounts receivable, other receivables, non-current assets due within one year, other current assets, loans and advances to customers, debt investments and long-term receivables. The credit risk of these financial assets stems from the default of the counterparty. The maximum risk exposure is equal to the book value of these instruments.

The maximum credit risk exposure that the Group faces on each balance sheet date is the total amount collected from customers minus the amount of impairment allowances.

The Group also faces credit risks due to the provision of financial guarantees, as disclosed in Note XII. 2 for details.

Since the Group only conducts transactions with recognised and reputable third parties, there is no need for collateral. Credit risk is centralized and managed according to customers/counterparties, geographic regions and industries. Because the Group's accounts receivable customer base is relatively wide. Therefore, there is no significant concentration of credit risk within the Group.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(1) Credit risk (Continued)

The judgment criteria for the significant increase of credit risk

The Group uses reasonable and supportable forward-looking information available to determine whether the credit risk of financial instruments has increased significantly since initial recognition by comparing the risk of default of financial instruments at the end of the reporting period with the risk of default at the date of initial recognition. For financial guarantee contracts, when applying the impairment requirements for financial instruments, the Group regards the date when the Group becomes a party to an irrevocable commitment as the initial recognition date.

The Group's main criteria for judging significant increase in credit risk are that the overdue days exceed 30 days, or one or more of the following indicators have changed significantly: whether the actual or expected operating results of the debtor have changed significantly; whether there has been a significant adverse change in the regulatory, economic or technical environment in which the debtor is located; Whether there has been a significant change in the value of the collateral as collateral for the debt or in the quality of the guarantee or credit enhancement provided by a third party that is expected to reduce the economic incentive of the debtor to repay the debt at the contractual maturity or affect the probability of default; whether the expected performance and repayment behavior of the debtor have changed significantly; whether the Group's credit management methods for financial instruments have changed.

At the end of the reporting period, if the Group judges that a financial instrument has only a low credit risk, the Group assumes that the credit risk of the financial instrument has not increased significantly since initial recognition. A financial instrument is considered to have a low credit risk if the risk of default is low, the borrower has a strong ability to meet its contractual cash flow obligations in the short term, and even if there are adverse changes in the economic situation and operating environment over a longer period of time that do not necessarily reduce the borrower's ability to meet its contractual cash obligations.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(1) Credit risk (Continued)

Definition of credit-impaired assets

The Group's main criterion for determining that credit impairment has occurred is that the number of days past due exceeds 90 days. However, in some cases, if internal or external information indicates that the contract amount may not be recovered in full before considering any credit enhancements held, the Group will also consider that credit impairment has occurred.

Credit impairment of financial assets may be caused by the combined action of multiple events, but may not be caused by separately identifiable events. Evidence that a financial asset has been credit-impaired includes the following observable information:

(1) Significant financial difficulties of the issuer or debtor;

(2) The debtor breaches the contract, such as default or overdue payment of interest or principal;

(3) A concession given by the creditor to the debtor for economic or contractual reasons relating to the debtor's financial difficulties that would not otherwise be made by the debtor;

(4) It is probable that the debtor will become insolvent or undergo other financial reorganisation;

(5) Other objective evidence indicating credit impairment of financial assets.

The exposure to credit risk

As at 31 December 2025 and 31 December 2024, the exposure to credit risk of bills receivable, trade receivables, receivables at fair value through other comprehensive income, other receivables, contract assets, current portion of non-current assets, loans and advances to customers, debt investments and long-term receivable is shown in Note V.3,4,5,7,9,10,12,13,15.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(2) Liquidity risk

The objective of the Group is to maintain a balance between sustainability and flexibility in financing through the use of a variety of financing instruments. The Group's operating financing refers to funds generated through operations and borrowings.

Due to the Group's supplier finance arrangements, the relevant accounts payable are due to a single counterparty rather than individual suppliers. This results in the Group being required to settle a significant amount with a single counterparty, rather than less significant amounts with a number of suppliers. However, the Group's payment terms for accounts payable covered by the arrangements are either identical to the payment terms for other accounts payable or extended to basically no more than 1 year. The Group does not consider the supplier finance arrangements result in excessive concentrations of liquidity risk given the payment terms are not significantly extended.

The tables below summaries the maturity profile of the Group's financial liabilities and other liabilities based on the undiscounted contractual cash flows:

31 December 2025

RMB'000

	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term loans	–	171,524,598	–	–	–	171,524,598
Due to customers	1,872,095	–	–	–	–	1,872,095
Bills payable	–	37,124,169	–	–	–	37,124,169
Trade payables	–	591,387,684	–	–	–	591,387,684
Other payables	–	124,655,919	–	–	–	124,655,919
Other current liabilities	–	6,545,685	–	–	–	6,545,685
Long-term loans (including the portion due within one year)	–	68,022,121	82,020,510	138,608,564	183,052,801	471,703,996
Bonds payable (including the portion due within one year)	–	18,952,016	15,231,005	17,829,973	10,696,017	62,709,011
Long-term payables (excluding special payables) (including the portion due within one year)	–	9,061,669	37,146,316	15,634,035	6,275,775	68,117,795
Lease liabilities (including the portion due within one year)	–	2,368,613	1,420,868	2,187,935	4,858,436	10,835,852
Other non-current liabilities (including the portion due within one year)	–	–	369,600	43,000	–	412,600
Financial guarantees (Note XII. 2) (excluding the real estate mortgage guarantees)	1,499,065	–	–	–	–	1,499,065
Total	3,371,160	1,029,642,474	136,188,299	174,303,507	204,883,029	1,548,388,469

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(2) Liquidity risk (Continued)

The tables below summaries the maturity profile of the Group's financial liabilities and other liabilities based on the undiscounted contractual cash flows: (Continued)

31 December 2024

RMB'000

	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term loans	–	151,996,844	–	–	–	151,996,844
Due to customers	2,051,298	–	–	–	–	2,051,298
Bills payable	–	41,316,625	–	–	–	41,316,625
Trade payables	–	512,813,640	–	–	–	512,813,640
Other payables	–	120,304,020	–	–	–	120,304,020
Other current liabilities	–	2,398,829	–	–	–	2,398,829
Long-term loans (including the portion due within one year)	–	54,737,419	64,203,060	105,925,758	106,831,432	331,697,669
Bonds payable(including the portion due within one year)	–	20,994,037	17,402,157	9,026,622	9,599,798	57,022,614
Long-term payables (excluding special payables) (including the portion due within one year)	–	8,000,818	32,438,937	12,929,816	5,363,003	58,732,574
Lease liabilities (including the portion due within one year)	–	2,317,998	1,837,456	1,717,445	2,198,753	8,071,652
Other non-current liabilities (including the portion due within one year)	–	–	509,500	63,000	–	572,500
Financial guarantees *(Note XII. 2)* (excluding the real estate mortgage guarantees)	2,055,082	–	–	–	–	2,055,082
Total	4,106,380	914,880,230	116,391,110	129,662,641	123,992,986	1,289,033,347

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(3) Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group regularly reviews and monitors the change of fixed and floating interest rate borrowings in order to manage its interest rate risk.

As at 31 December 2025, floating interest rate loans accounted for approximately 67.66% (31 December 2024: 65.05%) and fixed interest rate loans accounted for approximately 32.34% (31 December 2024: 34.95%) of the Group's Long-term loans respectively. Management would adjust the proportion of floating and fixed rate loans based on changes in the market interest rates to reduce the significant impact arising from interest rate risk.

If there was a general increase/decrease in the interest rate of bank and other borrowings with floating interest rates by 0.50%, with all other variables held constant, the consolidated operating results would have decreased/increased by approximately RMB895,420,000 in 31 December 2025 (31 December 2024: RMB570,355,000), and there is no impact on other components of the consolidated equity, except for retained earnings, of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred as at 31 December 2025 and the exposure to interest rate risk has been applied to those. The estimated increase or decrease of interest rates of 0.50% represents management's assessment of a reasonably possible change in interest rates over the year from now until the end of the nest annual reporting period.

Foreign currency risk

The Group is exposed to transactional exchange rate risk. Such risks arise from sales or purchases made by an operating unit in a currency other than its functional currency.

As a result of its significant business operations in Mainland China, the Group's revenue and expenses are mainly denominated in RMB and over 90% of the financial assets and liabilities are denominated in RMB. The effect of the fluctuations in the exchange rates of RMB against foreign currencies on the Group's results of operations is therefore minimal and the Group had not entered into any hedging transactions as at 31 December 2025 in order to reduce the Group's exposure to foreign currency risk in this regard (31 December 2024: Nil).

The following table presents a sensitivity analysis of exchange rate risk of reasonable and possible changes in the exchange rates of major foreign currencies, such as the US dollar, the Euro and the Hong Kong dollar, with all other variables held constant, of the Group's net profit and other comprehensive income equity net of tax.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(3) Market risk (Continued)

Foreign currency risk (Continued)

31 December 2025

RMB'000

	Exchange rate increase/ (decrease)	Net profit or loss increase/ (decrease)	Increase/ (decrease) in other comprehensive income, net of tax	Total equity increase/ (decrease)
Increase in the United States dollar rate	4%	202,806	–	202,806
Decrease in the United States dollar rate	(4%)	(202,806)	–	(202,806)
Increase in the Euro rate	4%	(5,994)	–	(5,994)
Decrease in the Euro rate	(4%)	5,994	–	5,994
Increase in the Hong Kong dollar rate	4%	46,291	(8)	46,283
Decrease in the Hong Kong dollar rate	(4%)	(46,291)	8	(46,283)

31 December 2024

RMB'000

	Exchange rate increase/ (decrease)	Net profit or loss increase/ (decrease)	Increase/ (decrease) in other comprehensive income, net of tax	Total equity increase/ (decrease)
Increase in the United States dollar rate	4%	284,810	–	284,810
Decrease in the United States dollar rate	(4%)	(284,810)	–	(284,810)
Increase in the Euro rate	4%	(92,277)	–	(92,277)
Decrease in the Euro rate	(4%)	92,277	–	92,277
Increase in the Saudi Riyal rate	4%	28,056	251	28,307
Decrease in the Saudi Riyal rate	(4%)	(28,056)	(251)	(28,307)

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

2. Capital management

The Group's primary objectives for capital management are to safeguard the Group's ability to continue as a going concern and keep the capital ratio at a healthy level, so that it can support business development and maximise the value of shareholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares. No changes were made in the objectives, policies or processes for managing capital for the year ended 31 December 2025 and 2024.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt includes all loans, due to customers, other current liabilities, bills payable, trade payables, other payables, bonds payable, lease liabilities, long-term payables (excluding special payables), current portion of non-current liabilities (excluding the current portion of long-term employee benefits payable and provisions) and other non-current liabilities less cash and bank balances. Total equity comprises equity attributable to owners of the Company and non-controlling interests stated in the consolidated statement of financial position. The gearing ratios at the end of the reporting period are listed as follows:

RMB'000

	31 December 2025	31 December 2024
Short- term loans	168,869,472	150,142,693
Long- term loans	335,750,413	235,062,620
Due to customers	1,872,095	2,051,298
Bills payable	37,124,169	41,316,625
Trade payables	591,387,684	512,813,640
Other payables	124,655,919	120,304,020
Current portion of non- current liabilities (excluding current portion of long- term employee benefits payable and provisions)	87,513,657	76,180,159
Other current liabilities	6,386,585	2,378,224
Bonds payable	39,335,327	32,720,483
Long- term payables (excluding special payables)	57,879,101	49,538,878
Lease liabilities	6,121,161	4,197,035
Other non- current liabilities	412,600	572,500
Less: Cash and bank balances	191,922,113	185,703,115
Net debt	1,265,386,070	1,041,575,060
Total equity attributable to owners of the company	340,286,440	328,251,080
Non- controlling interests	86,668,415	94,345,742
Adjusted capital	426,954,855	422,596,822
Total equity and net debt	1,692,340,925	1,464,171,882
Gearing ratio	75%	71%

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Transfer of financial assets

Financial assets transferred but not derecognised as a whole

As at 31 December 2025, the carrying amount of bank acceptance bills and commercial acceptance bills endorsed by the Group to suppliers for settlement of accounts payable and discounting was RMB987,073,000 (31 December 2024: RMB163,150,000). In the opinion of the Group, the Group retains substantially all of its risks and rewards, including the risk of default associated therewith, and therefore continues to recognise in full its and related settled accounts payable and bank borrowings. After endorsement or discount, the Group no longer retains the right to use it, including the right to sell, transfer or pledge it to other third parties. As at 31 December 2025, the carrying amount of accounts payable or bank borrowings recognised by the Group and settled by the Group with recourse to suppliers amounted to RMB987,073,000 (31 December 2024: RMB163,150,000).

As part of the ordinary course of business, the Group entered into factoring arrangements with certain financial institutions and transferred certain trade receivebles to them. Under this arrangement, the Group is required to repay amounts if the debtors of accounts receivable defer payment. The Group does not derecognise a financial asset if it retains substantially all of the risks and rewards of ownership. After the transfer, the Group no longer retains the right to use it, including the right to sell, transfer or pledge it to other third parties. As at 31 December 2025, the original carrying amount of receivables transferred but not yet settled under the arrangement was RMB5,784,314,000 (31 December 2024: RMB3,417,302,000).

For the year ended 31 December 2025, the Group sold trade receivables totaling RMB21,015,683,000 (2024：RMB8,455,588,000) to a special purpose trust, which issued asset-backed securities to investors. As an asset service provider, the Group provides services such as asset maintenance and daily management, formulation of annual asset disposal plans, formulation and implementation of asset disposal plans, signing of relevant asset disposal agreements and preparation of asset service reports on a regular basis.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Transfer of financial assets (Continued)

Transferred financial assets that have been derecognised as a whole but continue to be involved.

As at 31 December 2025, the carrying amount of bank acceptance bills endorsed or discounted by the Group was RMB1,588,555,000 (as at 31 December 2024: RMB1,853,970,000). On 31 December 2025, the maturity date is 1 to 12 months. According to the relevant provisions of the Bill Law, if the acceptance bank refuses to pay, the holder may exercise the right of recourse against any one, several or all of the bill debtors, including the Group, regardless of the order of the bill debtors ("Continuing Involvement"). The Group considers that it has transferred substantially all of its risks and rewards, and therefore derecognises it and its related settled accounts payable in full. The maximum loss and undiscounted cash flow of continuing involvement and repurchase are equal to its book value. The Group believes that the continuing involvement in fair value is not significant.

For the year ended 31 December 2025, the Group did not recognise gains or losses at the date of transfer. The Group has no income or expense recognized in the current year and accumulated due to its continuing involvement in derecognised financial assets. Endorsements or discounting occur approximately evenly during the period.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

X. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

2025

RMB'000

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Receivables at FVTOCI	–	1,129,124	–	1,129,124
Held-for-trading financial assets	316,002	–	690,285	1,006,287
Other equity instrument investments	1,794,600	–	12,289,669	14,084,269
Other non- current financial assets	484,446	–	12,345,278	12,829,724
Other current assets	6,959,698	–	–	6,959,698
Total	9,554,746	1,129,124	25,325,232	36,009,102

2024

RMB'000

	Inputs of fair value measurement			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Receivables at FVTOCI	–	1,644,048	–	1,644,048
Held-for-trading financial assets	500,592	–	1,032,524	1,533,116
Other equity instrument investments	1,722,181	–	11,445,616	13,167,797
Other non- current financial assets	177,252	–	11,198,870	11,376,122
Other current assets	4,968,995	–	–	4,968,995
Total financial assets	7,369,020	1,644,048	23,677,010	32,690,078

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Level 1 fair value measurement

The fair value of listed equity instrument investment and debt investment is determined at the market price.

3. Level 2 fair value measurement

RMB'000

	Fair value as at 31 December 2025	Fair value as at 31 December 2024	Valuation technique(s)	Key input(s)
Receivables at FVTOCI	1,129,124	1,644,048	Discounted cash flows	Discount rates for bank acceptance bills in the same term

4. Level 3 fair value measurement

For unlisted equity instrument investments, the fair value is estimated using the market method based on unobservable market price or interest rate assumptions. The Group is required to identify comparable listed companies based on industry, size, leverage and strategy and calculate appropriate market multipliers, such as enterprise value multipliers and P/E multipliers, for each comparable listed company identified. Based on the specific facts and circumstances of the enterprise, adjustments are made after considering factors such as liquidity and scale differences with comparable listed companies. The Group believes that the fair value and its changes estimated by the valuation technique are reasonable and the most appropriate value at the end of the reporting period. For the fair value of investments in unlisted equity instruments, the Group estimates the potential impact of using other reasonable and possible assumptions as inputs to the valuation model.

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Level 3 fair value measurement (Continued)

The following is a summary of significant unobservable inputs to Level 3 fair value measurements:

RMB'000

	Fair value as at 31 December 2025	Fair value as at 31 December 2024	Valuation technique(s)	Significant unobservable input(s)
Held-for-trading financial assets/Other non-current financial assets – call options for unlisted entities	2,385,638	2,778,793	Binomial tree option pricing model for valuation	Unlisted entities' revenue volatility and unlisted equity investments' comparable entities' stock price volatility
Held-for-trading financial assets/Non-current financial assets-others	10,649,925	9,452,601	Discounted cash flows	Future cash flows discounted at rates that reflected the expected risk level
Other equity instrument investments	12,289,669	11,445,616	Market method	Discount rate for lack of market mobility
Sum of assets under continuous measurement of fair value	25,325,232	23,677,010		

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

5. Reconciliation of continuing Level 3 fair value measurements

31 December 2025

RMB'000

	Opening balance	Total gain or loss for the year profit or loss	Included in other Recognised in comprehensive income	increase	decrease	Closing balance	Changes in unrealized gains or losses for the year in which assets held at the end of the year are recognised in profit or loss
Held-for-trading financial assets	1,032,524	(749,214)	–	820,975	(414,000)	690,285	(121,690)
Other equity instrument investments	11,445,616	–	8,732	1,286,806	(451,485)	12,289,669	–
Other non-current financial assets – others	11,198,870	(681,971)	–	1,902,800	(74,421)	12,345,278	(678,471)
Total	23,677,010	(1,431,185)	8,732	4,010,581	(939,906)	25,325,232	(800,161)

31 December 2024

RMB'000

	Opening balance	Total gain or loss for the year profit or loss	Included in other Recognised in comprehensive income	increase	decrease	Closing balance	Changes in unrealized gains or losses for the year in which assets held at the end of the year are recognised in profit or loss
Held-for-trading financial assets	1,268,027	(273,003)	–	37,500	–	1,032,524	(273,003)
Other equity instrument investments	10,601,209	–	499,968	1,077,246	(732,807)	11,445,616	–
Other non-current financial assets – others	8,908,984	(393,164)	–	2,683,050	–	11,198,870	(393,164)
Total	20,778,220	(666,167)	499,968	3,797,796	(732,807)	23,677,010	(666,167)

Notes to the Financial Statements (continued)

For the year ended 31 December 2025

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

6. Transfers Between Levels of the Fair Value Hierarchy in Ongoing Fair Value Measurement

For the year ended 31 December 2025, there was no transfer of fair value measurements between each level for both financial assets and other liabilities of the Group.

7. Fair value of assets and liabilities that are not measured at fair values

2025

The following is a comparison of the carrying amounts and fair values of the Group's financial instruments, excluding those for which the carrying amount approximates the fair value:

RMB'000

	Carrying amount	Fair value
Financial liabilities		
Long-term loans (fixed interest rate)	**61,457,377**	**62,265,597**
Bonds payable	**39,335,327**	**39,405,704**
total	**100,792,704**	**101,671,301**

2024

RMB'000

	Carrying amount	Fair value
Financial liabilities		
Long-term loans (fixed interest rate)	45,610,912	45,617,446
Bonds payable	32,720,483	32,778,384
total	78,331,395	78,395,830

Fair value of long-term loans and bonds payable is determined by discounted future cash flow method, with market yield of other financial instruments with similar contractual terms, credit risk and remaining period, which used as the discount rate. As at 31 December 2025, its own default risk of long-term loans was evaluated as insignificant.

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent

	Place of registration	Business scope	Registered capital	Percentage of ownership interest in the Company (%)	Percentage of voting rights in the Company (%)
China Railway Construction Corporation	Beijing	Construction and management	RMB9,000,000,000	51.23	51.23

The ultimate controlling party of the Company is SASAC.

2. Subsidiaries

Please refer to Note VII. 1 "Subsidiaries".

3. Joint ventures and associates

Company name	Related party relationship
Changzhou China Railway Construction Components Co., Ltd.	Joint venture
Jinan Rail China Railway Segment Manufacturing Co., Ltd.	Joint venture
Nanchang Railway Building Materials Co., Ltd.	Joint venture
Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	Joint venture
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	Joint venture
Hubei Rail Transit Design & Research Co., Ltd.	Joint venture
Foshan Road and Bridge Prefabricated Components Co., Ltd.	Joint venture
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	Joint venture
Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	Joint venture
Guangxi Urban Rail Engineering Construction Co., Ltd.	Joint venture
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	Joint venture
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Joint venture
China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	Joint venture
Sichuan Nansuitong Expressway Co., Ltd	Joint venture
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Joint venture
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.	Joint venture
Sichuan Chengmian Cangba Expressway Co., Ltd.	Joint venture
CRCC Shaanxi Meitai Expressway Co., Ltd.	Joint venture
CRCC Shaanxi Highway Co., Ltd.	Joint venture
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Joint venture
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Joint venture
Cangzhou Tieshi Urban Development Co., Ltd.	Joint venture
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Joint venture
Guiyang Changda Rail Transit Construction Co., Ltd.	Joint venture
China Railway Construction & Investment Xi'an City Development Co., Ltd.	Joint venture
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Joint venture

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Guizhou Guijin Expressway Co., Ltd.	Joint venture
Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	Joint venture
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.	Joint venture
Chongqing Tiefa Jianxin Highway Co., Ltd.	Joint venture
Yangzhou Hangji Nanyuan Development Co., Ltd.	Joint venture
Ningxia Logistics Group Northern Railway Co., Ltd.	Joint venture
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	Joint venture
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Joint venture
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	Joint venture
Sichuan Suide Expressway Co., Ltd.	Joint venture
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.	Joint venture
Hebei China Railway Cangyan Construction Technology Co., Ltd.	Joint venture
Linqing Anrun Investment Development and Construction Co., Ltd.	Joint venture
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Joint venture
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	Joint venture
China Railway Construction Port and Navigation Bureau Group Qingyuan Port Feilaixia Port Co., Ltd.	Joint venture
Chongqing Yusui Fuxian Highway Co., Ltd.	Joint venture
Shenyang Aviation Industry Park Development Co., Ltd.	Joint venture
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	Joint venture
Suzhou Jingzhao Real Estate Development Co., Ltd.	Joint venture
Hebei Canggang Railway Construction and Transportation Co., Ltd.	Joint venture
Chongqing Liangkai Expressway Co., Ltd.	Joint venture
Guizhou Tongxin Expressway Development Co., Ltd.	Joint venture
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Joint venture
Yunnan Luxun Highway Co., Ltd.	Joint venture
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	Joint venture
CRCC Kunlun Yunnan Real Estate Co., Ltd.	Joint venture
China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	Joint venture
Kunming Qiping Real Estate Co., Ltd.	Joint venture
Chengdu Tiecheng Real Estate Co., Ltd.	Joint venture
Hubei Lvchuang Construction Co., Ltd.	Joint venture
Wuhan Yuejun Real Estate Development Co., Ltd.	Joint venture
Chongqing China Railway Construction Industrial Co., Ltd.	Joint venture
Wuhan Jinkun Real Estate Development Co., Ltd.	Joint venture
Guangzhou Suiyun Real Estate Co., Ltd.	Joint venture

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Fuzhou Xinchen Real Estate Co., Ltd.	Joint venture
Changchun Jingde Real Estate Development Co., Ltd.	Joint venture
Xi'an Kaishengda Real Estate Co., Ltd.	Joint venture
Guangzhou Tieyue Real Estate Development Co., Ltd.	Joint venture
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	Joint venture
BeiJing Xintiexinjian Investment Co., Ltd.	Joint venture
China-Africa Lekkil Investment Co., Ltd.	Joint venture
Hubei Railway Green Building Materials Co., Ltd.	Joint venture
Beijing Blue Ocean Private Equity Fund Management Co., Ltd.	Joint venture
Yingshouronghe (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	Joint venture
Wuhu Three Gorges Phase I Water Environment Comprehensive Treatment Co., Ltd.	Joint venture
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	Joint venture
Chongqing Monorail Transit Engineering Group Co., Ltd.	Joint venture
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	Joint venture
Huayuan County Zixia Lake Development and Investment Co., Ltd.	Joint venture
Jinan Tieying Urban-Rural Construction Co., Ltd.	Joint venture
Wuhan Green Shade Ecological Environment Technology Co., Ltd.	Joint venture
Guigang Hesi Quanyu Tourism Development Co., Ltd.	Joint venture
Xixian New Area Xingchengrenju Real Estate Co., Ltd.	Joint venture
Chengdu China Railway Huafu Real Estate Co., Ltd.	Joint venture
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	Joint venture
Hunan Tongxi Real Estate Co., Ltd.	Joint venture
Beijing Xinda Real Estate Co., Ltd.	Joint venture
Pingdu City Characteristic Town Construction Management Co., Ltd.	Joint venture
Changji Denggao Engineering Management Service Co., Ltd.	Joint venture
Ningbo Jinghai Investment Management Co., Ltd.	Joint venture
Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	Joint venture
Ningbo Jingsheng Real Estate Co., Ltd.	Joint venture
Beijing Jiehai Real Estate Co., Ltd.	Joint venture
Nanjing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Beijing Ruida Real Estate Co., Ltd.	Joint venture
Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	Joint venture
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Joint venture
Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.	Joint venture
Luoyang Guozhan New Industry Development Co., Ltd.	Joint venture
Dalian Wancheng Zhiguang Real Estate Co., Ltd.	Joint venture
Concesionaria de Autopista del Sureste SA de CV-Arriaga	Joint venture

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Chongqing Jianlian New Real Estate Development Co., Ltd.	Joint venture
Tianjin China Railway Yuhua Real Estate Co., Ltd.	Joint venture
Fuentesblancas Proyectos Inmobiliarios, S. L.	Joint venture
Changsha Yuchi River Basin Development and Investment Co., Ltd.	Joint venture
Jiangsu Yinbao Gangkai Construction Co., Ltd.	Joint venture
China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.	Joint venture
Tianjin Wanhe Real Estate Co., Ltd.	Joint venture
Shunhao Real Estate Co., Ltd., Shunde District, Foshan City	Joint venture
Ningbo Jingwan Investment Management Co., Ltd.	Joint venture
Beijing Liuzhuang Real Estate Co., Ltd.	Joint venture
Deqing Jingsheng Real Estate Development Co., Ltd.	Joint venture
Dong'e Huicheng Investment Development and Construction Co., Ltd.	Joint venture
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	Joint venture
Tianjin China Railway Huituo Real Estate Co., Ltd.	Joint venture
Suzhou Jinghong Real Estate Development Co., Ltd.	Joint venture
Chongqing Danai Expressway Co., Ltd.	Joint venture
Tianjin Urban Construction Jinyu Real Estate Co., Ltd.	Joint venture
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	Joint venture
Hohhot Metro Line 2 Construction & Management Co., Ltd.	Joint venture
Nanchang Zhubang Construction Co., Ltd.	Joint venture
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	Joint venture
Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	Joint venture
Guangxi Shatie Railway Co., Ltd.	Joint venture
Liuzhou Baode Investment and Construction Co., Ltd.	Joint venture
Kunming Tiexin Construction Engineering Management Co., Ltd.	Joint venture
Yunnan Luqiu Guangfu Expressway Investment and Development Co., Ltd.	Joint venture
Wuhan Tongtong Tunnel Construction Investment Co., Ltd.	Joint venture
Tianjin Line 1 Rail Transit Operation Co., Ltd.	Joint venture
Chongqing Chengyu Dianfengwu Expressway Co., Ltd.	Joint venture
Kunming Kunlun Shouzhi Real Estate Co., Ltd.	Joint venture
Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	Joint venture
China Railway Construction Group Jinhua Urban Development Co., Ltd.	Joint venture
Nanjing Jingrui Real Estate Investment Co., Ltd.	Joint venture
Chengdu Zhongwan Yixing Real Estate Co., Ltd.	Joint venture
Baoding Hongmao Real Estate Development Co., Ltd.	Joint venture
Shanghai Hongjun Real Estate Development Co., Ltd.	Joint venture
Chengdu Jinrui Bomao Real Estate Co., Ltd.	Joint venture

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Changsha Zhicheng Real Estate Co., Ltd.	Joint venture
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	Joint venture
Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	Joint venture
Chengdu Chuangcheng Real Estate Co., Ltd.	Joint venture
Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	Joint venture
Nanchang Xintiecheng Construction Co., Ltd.	Joint venture
Shiyan Luxiang Transportation Investment Co., Ltd.	Joint venture
Chengdu Yuelin Real Estate Co., Ltd.	Joint venture
Suzhou Ruihua Real Estate Co., Ltd.	Joint venture
Jiashan Chengfa Construction and Development Co., Ltd.	Joint venture
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	Joint venture
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	Joint venture
Chongqing Gaotiefa Commercial Factoring Co., Ltd.	Associate
Liuzhou Beicheng China Railway Project Management Co., Ltd.	Associate
Hangqu Railway Co., Ltd.	Associate
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Associate
Xiamen Road and Bridge Construction Group Engineering Co., Ltd.	Associate
Xuzhou Jiaokong Supply Chain Co., Ltd.	Associate
Wuxue Port Multimodal Transport Investment Development Co., Ltd.	Associate
Shanghai Shangtie Operation and Maintenance Technology Co., Ltd.	Associate
Gansu Tietou Materials Co., Ltd.	Associate
Shandong High-speed Railway Construction Equipment Co., Ltd.	Associate
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Associate
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Associate
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	Associate
CRCC Development (Rizhao) Environmental Protection Co., Ltd.	Associate
Zhaotong Mayi Expressway Investment and Development Co., Ltd.	Associate
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Associate
CRCC East China (Cixi) Construction Co., Ltd.	Associate
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Associate
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	Associate
Anhui Huiyu Construction Engineering Co., Ltd.	Associate
China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	Associate
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Associate
Yongzhou Railway Co., Ltd.	Associate
Kunming Fuyi Highway Co., Ltd.	Associate
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	Associate
CRCC Investment Jizhong Development and Construction Co., Ltd.	Associate

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Tianshui Tram Co., Ltd.	Associate
Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	Associate
Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	Associate
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	Associate
Shanghai Jingmao Yue Real Estate Co., Ltd.	Associate
Shanghai Gangheng Real Estate Co., Ltd.	Associate
Shaanxi Luolu Expressway Co., Ltd.	Associate
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	Associate
China Railway Construction Ningxia Expressway Co., Ltd.	Associate
Taiyuan Airport Hub Real Estate Co., Ltd.	Associate
Beijing Urban Railway Construction Rail Transit Investment and Development Co., Ltd.	Associate
Tongling Guanghe High-Tech Energy Technology Co., Ltd.	Associate
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	Associate
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Associate
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Associate
Guizhou Wengma Railway North South Extension Co., Ltd.	Associate
China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	Associate
Ningxia Chengxin Railway Logistics Co., Ltd.	Associate
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	Associate
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Associate
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	Associate
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	Associate
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Associate
China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	Associate
Huaibei Zhongsui Construction Development Co., Ltd.	Associate
Qingdao Metro Line 4 Co., Ltd.	Associate
Fuzhou Donglin Ring Expressway Co., Ltd.	Associate
Yunnan Chuda Expressway Investment and Development Co., Ltd.	Associate
Guangzhou ShengDu Investment Development Co., Ltd.	Associate
Sichuan Jintou Project Investment Co., Ltd.	Associate
Ningxia High-speed Rail Industry Development Co., Ltd.	Associate

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Kunming Sanqing Highway Co., Ltd.	Associate
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Associate
Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	Associate
Tianjin Ninghe Rural Highway Engineering Co., Ltd.	Associate
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	Associate
Nantong Yanglu Railway Development and Construction Co., Ltd.	Associate
Fujian Ronghui Construction Development Co., Ltd.	Associate
Guizhou Wengma Railway Co., Ltd.	Associate
Bengbu Ronghui Construction Engineering Management Co., Ltd.	Associate
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Associate
Chongqing Tongsheng Infrastructure Construction Co., Ltd.	Associate
Ezhou Wuchu East Extension Investment and Construction Co., Ltd.	Associate
Shaanxi Danningdong Highway Co., Ltd.	Associate
Guizhou Jinrentong Expressway Development Co., Ltd.	Associate
Guigang Western Outer Ring Road Highway Co., Ltd.	Associate
Sichuan Tianmeile Highway Co., Ltd.	Associate
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	Associate
Tianjin Bincheng Meihaoshenghuo Co., Ltd.	Associate
CRCC Xinjiang Jingxin Expressway Co., Ltd.	Associate
Shaanxi Huangpu Expressway Co., Ltd.	Associate
CRCC Sichuan Dedu Highway Co., Ltd.	Associate
Xinjiang Water Development Heavy Industry Co., Ltd.	Associate
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	Associate
China Railway Construction Sichuan Dejian Expressway Co., Ltd.	Associate
China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	Associate
CRCC Hunan Expressway Co., Ltd.	Associate
CRCC (Shandong) Gaodong Highway Co., Ltd.	Associate
China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	Associate
Wuhan Zhaorui Real Estate Co., Ltd.	Associate
Chengdu Yueran Real Estate Co., Ltd.	Associate
Yuxi China Railway Infrastructure Construction Co., Ltd.	Associate
Nantong Tiejian Construction Components Co., Ltd.	Associate
Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	Associate
CRCC Luoyang Guozhan Development and Construction Co., Ltd	Associate
CRCC Guizhou Engineering Investment Co., Ltd	Associate
Yangzhou Wantou Jade Feature Town Co., Ltd.	Associate
Ma'anshan Zhengpugang Railway Co., Ltd.	Associate

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	Associate
China Railway Construction Beishui (Putian) Water Co., Ltd.	Associate
Three Gorges Riqing Juzhang River Ecological Governance (Dangyang) Co., Ltd.	Associate
Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.	Associate
Guizhou Baoyuan Real Estate Co., Ltd.	Associate
Gansu Public Aviation Travel Suwu Tonghang Industry Co., Ltd.	Associate
Jiangxi Leshui Ecotourism Development Co., Ltd.	Associate
Shanghai Wanjinglong Real Estate Co., Ltd.	Associate
Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.	Associate
Hainan Jinfa Railway Construction Port Construction Co., Ltd.	Associate
Nanjing Jingyue Real Estate Development Co., Ltd.	Associate
Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	Associate
Zaozhuang Jinjie Construction Investment Co., Ltd.	Associate
Sanya Zhongcheng Real Estate Co., Ltd.	Associate
Siping Comprehensive Pipe Gallery Construction and Operation Co., Ltd.	Associate
Concesionarias Autopistas de Morelos, S. A.de C. V	Associate
Shanxi Lihuo Expressway Co., Ltd.	Associate
Xuzhou Runjian Pipe Gallery Construction and Management Co., Ltd.	Associate
CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.	Associate
Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	Associate
Guangxi Yujin Investment Development Co., Ltd.	Associate
Jiangxi Wanshui Ecological Resources Development Co., Ltd.	Associate
Gansu Gonghang Travel Jiujia Expressway Management Co., Ltd.	Associate
Jianyang Railway Construction Hexing Highway Investment Co., Ltd.	Associate
Qingdao Urban Construction Investment Intelligent Construction Technology Co., Ltd.	Associate
Nanning Zongheng Shilin Lijiayuan Engineering Management Co., Ltd.	Associate
Taiyuan Airport Hub Investment and Construction Co., Ltd.	Associate
Liaocheng Xurui Municipal Engineering Co., Ltd.	Associate
Lanzhou Zhengda Pipe Gallery Project Management Co., Ltd.	Associate
Xixian New Area Century Pipe Gallery Construction Management Co., Ltd.	Associate
Gansu Jingli Expressway Longnan Management Co., Ltd.	Associate
Fujian Green Energy Construction Development Co., Ltd.	Associate
Jianghua Fengcheng Construction Investment Co., Ltd.	Associate
Chongqing Pinjinyue Real Estate Development Co., Ltd.	Associate

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	Associate
Lanzhou Matan Pipe Gallery Project Management Co., Ltd.	Associate
Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	Associate
Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	Associate
Chongqing Daishan Construction and Development Co., Ltd.	Associate
Liaocheng Rongxing Construction Investment Co., Ltd.	Associate
China Railway Construction (Guangxi) Tiesheng Investment Co., Ltd.	Associate
Gansu Zhuzhong Railway Co., Ltd.	Associate
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	Associate
Changzhou Jingrui Real Estate Development Co., Ltd.	Associate
Bay Area (Guangdong) Construction Assembly Technology Co., Ltd.	Associate
Tianshui Tonghao Tram Co., Ltd.	Associate
Tianjin China Railway Jinyu Real Estate Co., Ltd.	Associate
Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	Associate
Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	Associate
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	Associate
Hubei Railway Group Ziyun Co., Ltd.	Associate
Yangjiang Zhongcai Railway Construction Project Management Co., Ltd.	Associate
Quanzhou Futie Construction Investment Co., Ltd.	Associate
Nanjing Yuanchen Real Estate Co., Ltd.	Associate
Yangzhou Jingteng Real Estate Co., Ltd.	Associate
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	Associate
Anqing High speed Railway New Area Construction Investment Co., Ltd.	Associate
Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	Associate
Taiyuan Jinyuan East District Comprehensive Pipe Gallery Construction Management Co., Ltd.	Associate
Wantong Intercity Railway Co., Ltd.	Associate
Sichuan Jinsuiyuan Construction Development Co., Ltd.	Associate
Tianjin China Railway Guancheng Real Estate Co., Ltd.	Associate
Changde Yuanjiang Tunnel Co., Ltd.	Associate
Hengda Real Estate (Shenzhen) Co., Ltd.	Associate
Yunnan Gangcheng Infrastructure Construction Co., Ltd.	Associate
Bengbu Hengjian Construction Co., Ltd.	Associate
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	Associate

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Hangzhou Xiasha Road Tunnel Co., Ltd.	Associate
CRCC Gansu Zhangbian Highway Co., Ltd.	Associate
Hunan Maglev Transportation Development Co., Ltd.	Associate
Hubei Railway Group Dangyuan Co., Ltd.	Associate
Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.	Associate
Shandong Expressway Jinghu Expressway Co., Ltd.	Associate
CRCC Real Estate Co., Ltd.	Associate
Heshan No.18 Engineering Construction Co., Ltd.	Associate
Nanping New City Port Development Co., Ltd.	Associate
Hangzhou Jiandejiang Investment Co., Ltd.	Associate
Liuzhou North City China Railway Beijin Project Management Co., Ltd.	Associate
Xinjiang Shuifa Yaochi Project Management Co., Ltd.	Associate
Chengdu Huaisheng Project Management Co., Ltd.	Associate
Wuwei Tongda Highway Construction Co., Ltd.	Associate
Gansu Dundang Expressway Project Management Co., Ltd.	Associate
Zhuhai Jiaojian Engineering Co., Ltd.	Associate
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	Associate
Chengdu Chengtou Urban Construction Technology Co., Ltd.	Associate
Kunshan Transportation Construction Environmental Protection Prefabricated Components Co., Ltd.	Associate
Shenzhen Building Materials Trading Group Construction Technology Co., Ltd.	Associate
Shandong Expressway New Material Technology Co., Ltd.	Associate
Baoding Lingyu New Building Materials Co., Ltd.	Associate
Guangzhou Jingsui Survey and Design Co., Ltd.	Associate
Ningbo Runsheng Real Estate Development Co., Ltd.	Associate
Guangzhou Hongxuan Real Estate Co., Ltd.	Associate

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Zhangjiakou Hong'ao Infrastructure Construction and Development Co., Ltd.	Associate
Guangzhou Baorui Real Estate Development Co., Ltd.	Associate
Guangzhou Hongjia Real Estate Development Co., Ltd.	Associate
Guangde Railway Construction Blue Ocean Hualan Investment Center (Limited Partnership)	Associate
Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)	Associate
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	Associate
Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	Associate
Zhengzhou Communications Investment Lvbo Project Management Co., Ltd.	Subsidiary of an associate
Shanghai Xinjinghui Real Estate Development Co., Ltd.	Subsidiary of an associate
Shanghai Xinfucheng Real Estate Development Co., Ltd.	Subsidiary of an associate
Qingzhou Wenze Cultural Tourism Industry Investment Co., Ltd.	Subsidiary of an associate
Shanghai Xinruicheng Real Estate Development Co., Ltd.	Subsidiary of an associate
Anhui Zhenrui Construction Engineering Co., Ltd.	Subsidiary of a joint venture
Shanghai Jingmiaoxin Real Estate Co., Ltd.	Subsidiary of a joint venture

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Other related parties

Other related parties	Related party relationship
CRCC Financial Leasing Co., Ltd.	Entity under common control of the same parent company
CRCC JinLi Asset Management Co., Ltd.	Entity under common control of the same parent company
Shaanxi Railway Engineering Survey Co., Ltd.	Joint venture of an entity under common control of the same parent company
Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	Joint venture of an entity under common control of the same parent company
China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	Joint venture of an entity under common control of the same parent company
Qinghai Railway Engineering Survey Co., Ltd.	Joint venture of an entity under common control of the same parent company

5. Related party transactions

(1) Transactions of goods and services with related parties

Selling goods and providing services to related parties (Note 1)

RMB'000

Company name	Transaction details	2025	2024
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	Engineering contracting revenue	**8,654,904**	83,791
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Engineering contracting revenue	**3,117,752**	2,622,431
China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	Engineering contracting revenue	**2,620,091**	–
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Engineering contracting revenue	**2,547,920**	1,826,562
Sichuan Nansuitong Expressway Co., Ltd	Engineering contracting revenue	**2,171,820**	2,209,706
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Engineering contracting revenue	**1,867,339**	540,747
Hangqu Railway Co., Ltd.	Engineering contracting revenue	**1,630,925**	4,054,989

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Engineering contracting revenue	**1,578,612**	1,773,506
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	Engineering contracting revenue	**1,239,284**	1,514,497
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Engineering contracting revenue	**1,142,789**	2,398,605
Chongqing High Speed Railway Construction Wankaida Highway Co., Ltd.	Engineering contracting revenue	**1,072,355**	1,028,645
Sichuan Chengmian Cangba Expressway Co., Ltd.	Engineering contracting revenue	**953,556**	3,243,785
Sichuan Tianmeile Highway Co., Ltd.	Engineering contracting revenue	**932,419**	894,197
Hainan Jinfa Railway Construction Port Construction Co., Ltd.	Engineering contracting revenue	**850,250**	284,507
CRCC Development (Rizhao) Environmental Protection Co., Ltd.	Engineering contracting revenue	**733,633**	101,673
CRCC Shaanxi Meitai Expressway Co., Ltd.	Engineering contracting revenue	**711,580**	2,132,031
Zhaotong Mayi Expressway Investment and Development Co., Ltd.	Engineering contracting revenue	**706,540**	–
Wuxue Port Multimodal Transport Investment Development Co., Ltd.	Engineering contracting revenue	**698,476**	–
CRCC Shaanxi Highway Co., Ltd.	Engineering contracting revenue	**696,505**	566,679
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Engineering contracting revenue	**690,759**	923,852
CRCC East China (Cixi) Construction Co., Ltd.	Engineering contracting revenue	**658,653**	577,716
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Engineering contracting revenue	**655,329**	776,592

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	2025	2024
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Engineering contracting revenue	**608,259**	860,773
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	Engineering contracting revenue	**569,916**	313,934
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Engineering contracting revenue	**538,116**	432,326
Cangzhou Tieshi Urban Development Co., Ltd.	Engineering contracting revenue	**519,386**	127,801
Jinan Tieying Urban-Rural Construction Co., Ltd.	Engineering contracting revenue	**507,442**	–
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Engineering contracting revenue	**477,733**	244,597
Anhui Huiyu Construction Engineering Co., Ltd.	Engineering contracting revenue	**415,657**	575,218
China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	Engineering contracting revenue	**391,304**	253,235
Guiyang Changda Rail Transit Construction Co., Ltd.	Engineering contracting revenue	**372,157**	1,988,312
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Engineering contracting revenue	**357,947**	449,782
Yongzhou Railway Co., Ltd.	Engineering contracting revenue	**356,152**	65,137
Kunming Fuyi Highway Co., Ltd.	Engineering contracting revenue	**354,412**	627,128
China Railway Construction & Investment Xi'an City Development Co., Ltd.	Engineering contracting revenue	**349,947**	428,756
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	Engineering contracting revenue	**344,663**	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
CRCC Investment Jizhong Development and Construction Co., Ltd.	Engineering contracting revenue	**337,977**	290,341
Tianshui Tram Co., Ltd.	Engineering contracting revenue	**336,663**	579,759
Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	Engineering contracting revenue	**335,749**	31,355
Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	Engineering contracting revenue	**326,642**	–
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	Engineering contracting revenue	**321,286**	1,091,009
Guangxi Urban Rail Engineering Construction Co., Ltd.	Engineering contracting revenue	**315,158**	90,180
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Engineering contracting revenue	**310,925**	1,622,763
Shanghai Jingmao Yue Real Estate Co., Ltd.	Engineering contracting revenue	**304,684**	87,806
Shanghai Gangheng Real Estate Co., Ltd.	Engineering contracting revenue	**290,264**	339,452
Shaanxi Luolu Expressway Co., Ltd.	Engineering contracting revenue	**288,822**	363,476
Guizhou Guijin Expressway Co., Ltd.	Engineering contracting revenue	**286,079**	210,749
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	Engineering contracting revenue	**265,210**	544,887
Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	Engineering contracting revenue	**254,921**	–
Chengdu Kunlun Sentou Longquanshan Ecological Construction Co., Ltd.	Engineering contracting revenue	**254,169**	22,474

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
China Railway Construction Ningxia Expressway Co., Ltd.	Engineering contracting revenue	**246,619**	8,772
Taiyuan Airport Hub Real Estate Co., Ltd.	Engineering contracting revenue	**241,168**	294,797
Beijing Urban Railway Construction Rail Transit Investment and Development Co., Ltd.	Engineering contracting revenue	**231,350**	–
Tongling Guanghe High-Tech Energy Technology Co., Ltd.	Engineering contracting revenue	**225,156**	261,204
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	Engineering contracting revenue	**221,872**	196,380
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Engineering contracting revenue	**220,024**	184,240
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Engineering contracting revenue	**218,327**	315,990
Guizhou Wengma Railway North South Extension Co., Ltd.	Engineering contracting revenue	**209,755**	293,345
Chongqing Tiefa Jianxin Highway Co., Ltd.	Engineering contracting revenue	**207,040**	254,508
Yangzhou Hangji Nanyuan Development Co., Ltd.	Engineering contracting revenue	**203,272**	–
China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	Engineering contracting revenue	**198,278**	239,180
Ningxia Chengxin Railway Logistics Co., Ltd.	Engineering contracting revenue	**180,406**	256,276

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	Engineering contracting revenue	**171,652**	802,742
Changzhou China Railway Construction Components Co., Ltd.	Engineering contracting revenue	**161,650**	–
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Engineering contracting revenue	**159,189**	895,701
Ningxia Logistics Group Northern Railway Co., Ltd.	Engineering contracting revenue	**152,068**	–
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	Engineering contracting revenue	**150,213**	–
China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	Engineering contracting revenue	**144,084**	362,284
Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	Engineering contracting revenue	**143,464**	278,998
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Engineering contracting revenue	**140,554**	393,012
China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	Engineering contracting revenue	**135,676**	250,364
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Engineering contracting revenue	**134,950**	27,698
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	Engineering contracting revenue	**134,348**	138,817
Huaibei Zhongsui Construction Development Co., Ltd.	Engineering contracting revenue	**132,050**	22,671

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
Sichuan Suide Expressway Co., Ltd.	Engineering contracting revenue	**131,282**	287,806
Qingdao Metro Line 4 Co., Ltd.	Engineering contracting revenue	**127,131**	–
Fuzhou Donglin Ring Expressway Co., Ltd.	Engineering contracting revenue	**126,821**	264,949
Yunnan Chuda Expressway Investment and Development Co., Ltd.	Engineering contracting revenue	**121,239**	151,362
Guangzhou ShengDu Investment Development Co., Ltd.	Engineering contracting revenue	**118,643**	157,622
Sichuan Jintou Project Investment Co., Ltd.	Engineering contracting revenue	**117,580**	174,876
Ningxia High-speed Rail Industry Development Co., Ltd.	Engineering contracting revenue	**117,171**	488,772
Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.	Engineering contracting revenue	**109,066**	172,477
Hebei China Railway Cangyan Construction Technology Co., Ltd.	Engineering contracting revenue	**104,254**	670,289
Linqing Anrun Investment Development and Construction Co., Ltd.	Engineering contracting revenue	**94,666**	–
Kunming Sanqing Highway Co., Ltd.	Engineering contracting revenue	**90,517**	1,419,352
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Engineering contracting revenue	**80,587**	14,721
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Engineering contracting revenue	**78,069**	42,462
Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	Engineering contracting revenue	**74,461**	310,498

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
Tianjin Ninghe Rural Highway Engineering Co., Ltd.	Engineering contracting revenue	**73,603**	53,245
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	Engineering contracting revenue	**73,351**	533,705
Nantong Yanglu Railway Development and Construction Co., Ltd.	Engineering contracting revenue	**70,895**	14,979
Fujian Ronghui Construction Development Co., Ltd.	Engineering contracting revenue	**70,876**	95,639
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	Engineering contracting revenue	**70,336**	434,643
Guizhou Wengma Railway Co., Ltd.	Engineering contracting revenue	**68,795**	–
Bengbu Ronghui Construction Engineering Management Co., Ltd.	Engineering contracting revenue	**67,850**	42,263
China Railway Construction Port and Navigation Bureau Group Qingyuan Port Feilaixia Port Co., Ltd.	Engineering contracting revenue	**63,258**	284,926
Chongqing Yusui Fuxian Highway Co., Ltd.	Engineering contracting revenue	**63,146**	1,085,039
Shenyang Aviation Industry Park Development Co., Ltd.	Engineering contracting revenue	**58,726**	80,346
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Engineering contracting revenue	**55,245**	208,139
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	Engineering contracting revenue	**53,322**	1,888,723
Suzhou Jingzhao Real Estate Development Co., Ltd.	Engineering contracting revenue	**53,102**	101,514

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

RMB'000

Company name	Transaction details	2025	2024
Chongqing Tongsheng Infrastructure Construction Co., Ltd.	Engineering contracting revenue	**52,307**	88,579
Ezhou Wuchu East Extension Investment and Construction Co., Ltd.	Engineering contracting revenue	**47,902**	486,411
Hebei Canggang Railway Construction and Transportation Co., Ltd.	Engineering contracting revenue	**46,845**	510,891
Chongqing Liangkai Expressway Co., Ltd.	Engineering contracting revenue	**34,390**	171,432
Guizhou Tongxin Expressway Development Co., Ltd.	Engineering contracting revenue	**13,316**	104,783
Shaanxi Danningdong Highway Co., Ltd.	Engineering contracting revenue	**12,611**	156,600
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Engineering contracting revenue	**6,593**	310,570
Guizhou Jinrentong Expressway Development Co., Ltd.	Engineering contracting revenue	**5,655**	753,221
Guigang Western Outer Ring Road Highway Co., Ltd.	Engineering contracting revenue	**971**	429,130
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	Engineering contracting revenue	**–**	526,793
Tianjin Bincheng Meihaoshenghuo Co., Ltd.	Engineering contracting revenue	**–**	420,649
Yunnan Luxun Highway Co., Ltd.	Engineering contracting revenue	**–**	227,180
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	Engineering contracting revenue	**–**	43,910
Others		**2,209,719**	15,396,376
Total		**55,450,597**	73,277,612

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 2)

RMB'000

Company name	Transaction details	**2025**	2024
CRCC Financial Leasing Co., Ltd. (Note5)	Revenue from sale of goods or rendering of services	**599,702**	1,196,009
Sichuan Chengmian Cangba Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**102,447**	75,453
CRCC Xinjiang Jingxin Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**56,842**	–
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**54,540**	13,650
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Revenue from sale of goods or rendering of services	**52,962**	37,233
Shaanxi Huangpu Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**43,776**	32,857
China Railway Construction Ningxia Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**43,006**	19,976
CRCC Sichuan Dedu Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**42,215**	37,474
Xinjiang Water Development Heavy Industry Co., Ltd.	Revenue from sale of goods or rendering of services	**40,855**	–
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	Revenue from sale of goods or rendering of services	**38,444**	36,547
China Railway Construction Sichuan Dejian Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**31,453**	33,724

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 2) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
Chongqing Tiefa Jianxin Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**29,894**	29,360
China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	Revenue from sale of goods or rendering of services	**29,085**	13,889
Kunming Sanqing Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**28,800**	–
CRCC Shaanxi Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**28,447**	32,204
CRCC Hunan Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**26,488**	31,181
CRCC (Shandong) Gaodong Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**26,005**	24,019
Sichuan Suide Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**16,036**	11,923
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**15,699**	10,080
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**15,469**	–
Sichuan Nansuitong Expressway Co., Ltd	Revenue from sale of goods or rendering of services	**14,884**	–
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Revenue from sale of goods or rendering of services	**9,995**	5,960

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 2) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
CRCC Kunlun Yunnan Real Estate Co., Ltd.	Revenue from sale of goods or rendering of services	**9,974**	4,467
Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	Revenue from sale of goods or rendering of services	**9,374**	8,683
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Revenue from sale of goods or rendering of services	**7,894**	–
China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**7,158**	–
China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**6,007**	7,477
Kunming Qiping Real Estate Co., Ltd.	Revenue from sale of goods or rendering of services	**5,285**	971
Anhui Zhenrui Construction Engineering Co., Ltd.	Revenue from sale of goods or rendering of services	**–**	85,427
China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	Revenue from sale of goods or rendering of services	**–**	36,677
Jinan Rail China Railway Segment Manufacturing Co., Ltd.	Revenue from sale of goods or rendering of services	**–**	5,657
Others	Revenue from sale of goods or rendering of services	**39,721**	126,443
Total		**1,432,457**	1,917,341

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Purchasing goods and receiving services from related parties (Note 3)

RMB'000

Company name	Transaction details	2025	2024
Shaanxi Railway Engineering Survey Co., Ltd. (Note5)	Expenditures for purchasing goods and receiving services	**246,120**	153,279
CRCC Financial Leasing Co., Ltd. (Note5)	Expenditures for purchasing goods and receiving services	**181,239**	2,326
Hangqu Railway Co., Ltd.	Expenditures for purchasing goods and receiving services	**158,846**	–
Jinan Rail China Railway Segment Manufacturing Co., Ltd.	Expenditures for purchasing goods and receiving services	**79,059**	67,696
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Expenditures for purchasing goods and receiving services	**41,569**	–
Xiamen Road and Bridge Construction Group Engineering Co., Ltd.	Expenditures for purchasing goods and receiving services	**33,305**	–
Xuzhou Jiaokong Supply Chain Co., Ltd.	Expenditures for purchasing goods and receiving services	**28,015**	441,100
Nanchang Railway Building Materials Co., Ltd.	Expenditures for purchasing goods and receiving services	**24,825**	49,030
Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	Expenditures for purchasing goods and receiving services	**21,588**	7,004
Wuxue Port Multimodal Transport Investment Development Co., Ltd.	Expenditures for purchasing goods and receiving services	**21,502**	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Purchasing goods and receiving services from related parties (Note 3) (Continued)

RMB'000

Company name	Transaction details	**2025**	2024
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	Expenditures for purchasing goods and receiving services	**19,948**	–
Hubei Rail Transit Design & Research Co., Ltd.	Expenditures for purchasing goods and receiving services	**19,814**	42,292
Foshan Road and Bridge Prefabricated Components Co., Ltd.	Expenditures for purchasing goods and receiving services	**16,626**	22,885
Shanghai Shanghai Railway Operation and Maintenance Technology Co., Ltd.	Expenditures for purchasing goods and receiving services	**16,000**	–
Gansu Tietou Materials Co., Ltd.	Expenditures for purchasing goods and receiving services	**8,290**	166,511
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	Expenditures for purchasing goods and receiving services	**6,628**	163,087
Shandong High-speed Railway Construction Equipment Co., Ltd.	Expenditures for purchasing goods and receiving services	**5,916**	173,274
Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	Expenditures for purchasing goods and receiving services	**2,374**	101,574
Guangxi Urban Rail Engineering Construction Co., Ltd.	Expenditures for purchasing goods and receiving services	**–**	177,796
Others		**410,708**	450,089
Total		**1,342,372**	2,017,943

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related party leasing

As the lessee

RMB'000

Lessor		Leasing asset types	Payment for the year ended 31 December 2025	Payment for the year ended 31 December 2024
CRCC Financial Leasing Co., Ltd.	Notes4,5,6,7	Machinery and equipment	2,405,857	1,919,621
China Railway Construction Group Co., Ltd.	Notes4,5,6,7	Buildings and structures	99,245	88,723
CRCC JinLi Asset Management Co., Ltd.	Notes4,5,6,7	Buildings and structures	43,340	43,288
CRCC Financial Leasing Co., Ltd.	Notes4,5,6,7	Buildings and structures	9,521	4,201
Total			2,557,963	2,055,833

(3) Guarantees granted to related parties

RMB'000

Guarantees granted to a related party

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Limited Co., Ltd.	590,781,290	2016-03-31	2039-03-31	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	608,434,500	2022-06-14	2031-12-21	No
Wuhan Zhaorui Real Estate Co., Ltd.	233,666,251	2022-08-17	2027-12-30	No

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Related party fund borrowings

Funds lent out	Amount borrowed	Start date of loan	Due date of loan
2025			
Beijing Xinda Real Estate Co., Ltd.	2,498,449	10 January, 2025	No fixed maturity
Xi'an Kaishengda Real Estate Co., Ltd.	830,562	13 January, 2025	No fixed maturity
Nanjing Yuanchen Real Estate Co., Ltd.	434,886	31 July, 2025	No fixed maturity
Guangzhou Tieyue Real Estate Development Co., Ltd.	393,203	11 June, 2025	No fixed maturity
BeiJing Xintiexinjian Investment Co., Ltd.	335,874	24 January,2025	No fixed maturity
Ningbo Jingwan Investment Management Co., Ltd.	199,933	31 March, 2025	No fixed maturity
Wuhan Jinkun Real Estate Development Co., Ltd.	164,115	31 March, 2025	No fixed maturity
Nanjing Jingsheng Real Estate Development Co., Ltd.	126,837	12 February, 2025	No fixed maturity
Changsha Zhicheng Real Estate Co., Ltd.	91,554	23 January, 2025	No fixed maturity
Xixian New Area Xingchengrenju Real Estate Co., Ltd.	68,677	14 January, 2025	No fixed maturity
Total	5,144,090		

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Related party fund borrowings (Continued)

Funds lent out	Amount borrowed	Start date of loan	Due date of loan
2024			
BeiJing Xintiexinjian Investment Co., Ltd.	1,993,994	17 January, 2024	No fixed maturity
Chengdu Jinrui Bomao Real Estate Co., Ltd.	698,943	28 November, 2024	No fixed maturity
Nanjing Jingsheng Real Estate Development Co., Ltd.	188,621	24 January, 2024	No fixed maturity
Wuhan Zhaorui Real Estate Co., Ltd.	161,700	26 March, 2024	25 March, 2027
Ningbo Runsheng Real Estate Development Co., Ltd.	159,315	28 March, 2024	No fixed maturity
Guangzhou Tieyue Real Estate Development Co., Ltd.	156,254	15 March, 2024	No fixed maturity
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	145,000	23 January, 2024	20 May, 2024
Total	3,503,827		

(5) Key management's remuneration

RMB'000

	2025	2024
Key management's remuneration	12,579	13,002

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(6) Other related party transactions

RMB'000

	2025	2024
Other income *(Note 4)*		
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	**102,991**	96,765
Kunming Qiping Real Estate Co., Ltd.	**41,157**	43,746
Guangzhou ShengDu Investment Development Co., Ltd.	**39,944**	49,523
Chengdu Tiecheng Real Estate Co., Ltd.	**37,028**	36,149
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	**28,841**	31,085
China Railway Construction Group Co., Ltd.	**27,911**	39,043
Wuhan Zhaorui Real Estate Co., Ltd.	**26,476**	35,343
Suzhou Jingzhao Real Estate Development Co., Ltd.	**21,347**	21,405
China Railway Construction & Investment Xi'an City Development Co., Ltd.	**17,035**	18,117
Hubei Lvchuang Construction Co., Ltd.	**6,333**	14,359
Taiyuan Airport Hub Real Estate Co., Ltd.	**4,175**	–
Wuhan Yuejun Real Estate Development Co., Ltd.	**4,131**	12,564
Chengdu Yueran Real Estate Co., Ltd.	**1,535**	15,584
Chongqing China Railway Construction Industrial Co., Ltd.	**1,373**	–
Shanghai Jingmao Yue Real Estate Co., Ltd.	**906**	63,465
Wuhan Jinkun Real Estate Development Co., Ltd.	**387**	17,191
Guangzhou Suiyun Real Estate Co., Ltd.	**–**	38,403
Fuzhou Xinchen Real Estate Co., Ltd.	**–**	22,507
Changchun Jingde Real Estate Development Co., Ltd.	**–**	22,288
Yuxi China Railway Infrastructure Construction Co., Ltd.	**–**	17,942
Xi'an Kaishengda Real Estate Co., Ltd.	**–**	13,979
Guangzhou Tieyue Real Estate Development Co., Ltd.	**–**	11,922
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	**–**	4,128
Others	**21,050**	287,625
Total	**382,620**	913,133

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(6) Other related party transactions (Continued)

RMB'000

	2025	2024
Other expenses *(Note 3)*		
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	147,130	149,660
China Railway Construction Corporation	55,550	53,743
BeiJing Xintiexinjian Investment Co., Ltd.	29,279	93,745
Zhengzhou Communications Investment Lvbo Project Management Co., Ltd.	9,233	–
China-Africa Lekki Investment and Development Co., Ltd.	4,503	–
Guangzhou ShengDu Investment Development Co., Ltd.	987	178
Others	10,483	55,309
Total	257,165	352,635

Note 1: The terms of the construction service agreements entered into by the Group and related parties were mutually agreed by the parties.

Note 2: The terms of the contracts on sales of goods or provision of services entered into by the Group and related parties were mutually agreed by the parties.

Note 3: The terms of the agreements relating to rendering or receiving of other services entered into by the Group and related parties were mutually agreed by the parties.

Note 4: The terms of the purchase agreements of goods and services entered into by the Group and related parties were mutually agreed by the parties. The other income from related parties was mainly interest income from loans receivable.

Note 5: The above related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

Note 6: The lease fees recognised by the Group and its affiliated companies are dependent on the lease payments paid by the Group to repay the lease liabilities in the current period and the short-term lease and low-value assets lease expenses included in the current profit and loss.

Note 7: According to the Announcement of China Railway Construction Corporation Limited, the cap amount of expenditure payable by the Group for leasing properties and land use rights from China Railway Construction Corporation is RMB200,000,000. The cap amount of expenditure payable by the Group in respect of the services provided by China Railway Construction Corporation is RMB1,000,000,000. The cap amount of finance cost is RMB105,000,000. The cap of amount of lease transaction between the Group and CRCC Financial Leasing Co., Ltd. is RMB4,500,000,000. The cap amount of equipment sales between the Group and CRCC Financial Leasing Co., Ltd. is RMB2,600,000,000.

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties

(1) Accounts receivable

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Bills receivable	Note1	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	13,871	–	15,663	40
Bills receivable	Note1	Nantong Tiejian Construction Components Co., Ltd.	71	–	–	–
Bills receivable	Note1	CRCC Shaanxi Highway Co., Ltd.	–	–	314,901	315
Bills receivable	Note1	Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	–	–	183,000	183
Bills receivable	Note1	Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	–	–	86,000	86
Bills receivable		others	–	–	322,659	396
Total			13,942	–	922,223	1,020
Trade receivables	Note1	CRCC Luoyang Guozhan Development and Construction Co., Ltd	500,202	17,602	606,290	17,005
Trade receivables	Note1	Sichuan Tianmeile Highway Co., Ltd.	471,800	417	75,918	401
Trade receivables	Note1	CRCC Guizhou Engineering Investment Co., Ltd	426,990	79,560	–	–
Trade receivables	Note1	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	374,522	1,620	316,374	1,459

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Anhui Zhenrui Construction Engineering Co., Ltd.	353,226	426	372,556	896
Trade receivables	Note1	CRCC Financial Leasing Co., Ltd.	331,013	1,328	296,470	1,212
Trade receivables	Note1	Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	327,654	1,638	73,112	366
Trade receivables	Note1	Cangzhou Tieshi Urban Development Co., Ltd.	316,448	139	–	–
Trade receivables	Note1	CRCC Shaanxi Highway Co., Ltd.	277,576	78	6,066	603
Trade receivables	Note1	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	241,493	238	–	–
Trade receivables	Note1	Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	235,782	273	95,854	516
Trade receivables	Note1	Yuxi China Railway Infrastructure Construction Co., Ltd.	234,708	3,527	238,625	3,527
Trade receivables	Note1	Yangzhou Wantou Jade Feature Town Co., Ltd.	226,472	1,971	22,292	111
Trade receivables	Note1	Tianshui Tram Co., Ltd.	223,121	1,116	12,426	63
Trade receivables	Note1	CRCC Kunlun Yunnan Real Estate Co., Ltd.	176,825	993	193,740	1,124
Trade receivables	Note1	Huaibei Zhongsui Construction Development Co., Ltd.	165,338	165	144,887	265

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	152,661	2,139	145,766	2,248
Trade receivables	Note1	CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	148,768	2	161,459	1,530
Trade receivables	Note1	Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	142,215	13,759	167,908	13,512
Trade receivables	Note1	Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	136,638	819	310	140
Trade receivables	Note1	Sichuan Tiexin Zhiyuan Construction Co., Ltd.	132,177	661	146,783	530
Trade receivables	Note1	Chengdu Chuangcheng Real Estate Co., Ltd.	130,880	651	122,438	609
Trade receivables	Note1	Chongqing Tiefa Jianxin Highway Co., Ltd.	126,416	403	89,599	909
Trade receivables	Note1	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	112,624	209	74,779	209
Trade receivables	Note1	Suzhou Jingzhao Real Estate Development Co., Ltd.	109,285	248	105,759	285
Trade receivables	Note1	Ma'anshan Zhengpugang Railway Co., Ltd.	109,026	252	10,424	10

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	103,288	2,515	105,876	2,505
Trade receivables	Note1	China-Africa Lekkil Investment Co., Ltd.	102,676	117	106,516	107
Trade receivables	Note1	Sichuan Chengmian Cangba Expressway Co., Ltd.	101,035	504	44,779	265
Trade receivables	Note1	China Railway Construction Beishui (Putian) Water Co., Ltd.	100,142	–	–	–
Trade receivables	Note1	Three Gorges Riqing Juzhang River Ecological Governance (Dangyang) Co., Ltd.	98,248	491	45,435	227
Trade receivables	Note1	Guiyang Changda Rail Transit Construction Co., Ltd.	95,396	56	67	32
Trade receivables	Note1	Guangzhou ShengDu Investment Development Co., Ltd.	94,011	470	159,179	753
Trade receivables	Note1	Anhui Huiyu Construction Engineering Co., Ltd.	90,540	332	13,253	361
Trade receivables	Note1	Qingzhou Wenze Cultural Tourism Industry Investment Co., Ltd.	88,771	2,357	–	–
Trade receivables	Note1	Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	88,497	485	5,258	36

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Wuhu Three Gorges Phase I Water Environment Comprehensive Treatment Co., Ltd.	85,751	429	–	–
Trade receivables	Note1	Guangxi Urban Rail Engineering Construction Co., Ltd.	85,694	337	39,045	242
Trade receivables	Note1	Changsha Zhicheng Real Estate Co., Ltd.	84,006	1,003	1,079	15
Trade receivables	Note1	Kunming Qiping Real Estate Co., Ltd.	83,570	161	32,268	68
Trade receivables	Note1	Qingdao Metro Line 4 Co., Ltd.	82,649	2,741	75	–
Trade receivables	Note1	Tongling Guanghe High-Tech Energy Technology Co., Ltd.	77,916	78	–	–
Trade receivables	Note1	Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.	77,342	78	71,018	78
Trade receivables	Note1	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	77,318	906	102,978	662
Trade receivables	Note1	Guizhou Baoyuan Real Estate Co., Ltd.	77,256	77	–	–
Trade receivables	Note1	Nanchang Xintiecheng Construction Co., Ltd.	76,662	3,833	70,629	3,531
Trade receivables	Note1	Gansu Public Aviation Travel Suwu Tonghang Industry Co., Ltd.	76,463	18	46,101	15

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	75,735	379	–	–
Trade receivables	Note1	Jiangxi Leshui Ecotourism Development Co., Ltd.	71,918	1,186	4,258	1,186
Trade receivables	Note1	Shanghai Wanjinglong Real Estate Co., Ltd.	69,119	673	70,333	686
Trade receivables	Note1	Shiyan Luxiang Transportation Investment Co., Ltd.	68,089	2,294	73,261	1,051
Trade receivables	Note1	Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.	68,027	1,023	90,446	452
Trade receivables	Note1	Hainan Jinfa Railway Construction Port Construction Co., Ltd.	65,798	–	–	–
Trade receivables	Note1	Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	65,005	1,107	121,305	1,107
Trade receivables	Note1	Chengdu Yuelin Real Estate Co., Ltd.	64,889	926	54,313	1,889
Trade receivables	Note1	Nanjing Jingyue Real Estate Development Co., Ltd.	64,372	318	95,393	475
Trade receivables	Note1	China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	63,338	63	171,191	103

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	62,693	314	18,002	90
Trade receivables	Note1	Suzhou Ruihua Real Estate Co., Ltd.	62,636	63	–	–
Trade receivables	Note1	Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	61,747	374	191,744	614
Trade receivables	Note1	Chongqing Yuxiang Fuxian Highway Co., Ltd.	60,656	282	5,376	7
Trade receivables	Note1	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	60,636	768	251,890	1,259
Trade receivables	Note1	Foshan Road and Bridge Prefabricated Components Co., Ltd.	60,458	322	25,825	333
Trade receivables	Note1	Zaozhuang Jinjie Construction Investment Co., Ltd.	60,288	472	2,309	12
Trade receivables	Note1	Shaanxi Huangpu Expressway Co., Ltd.	59,601	41	19,872	25
Trade receivables	Note1	CRCC Development (Rizhao) Environmental Protection Co., Ltd.	59,402	59	129,402	129
Trade receivables	Note1	Jiashan Chengfa Construction and Development Co., Ltd.	58,656	59	84,127	63

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Ningxia High-speed Rail Industry Development Co., Ltd.	57,895	576	123,211	902
Trade receivables	Note1	Sanya Zhongcheng Real Estate Co., Ltd.	56,309	56	46,500	46
Trade receivables	Note1	Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	55,850	35	5,440	11
Trade receivables	Note1	Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	54,466	55	209,244	229
Trade receivables	Note1	Guigang Hesi Quanyu Tourism Development Co., Ltd.	53,223	59	76,797	77
Trade receivables	Note1	Siping Comprehensive Pipe Gallery Construction and Operation Co., Ltd.	52,455	–	52,655	–
Trade receivables	Note1	Concesionarias Autopistas de Morelos, S. A.de C. V	51,375	51,375	–	–
Trade receivables	Note1	Shanxi Lihuo Expressway Co., Ltd.	49,661	–	72,612	55
Trade receivables	Note1	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	48,229	229	59,778	283
Trade receivables	Note1	Guangzhou Suiyun Real Estate Co., Ltd.	46,500	46	50,037	50
Trade receivables	Note1	Xinjiang Water Development Heavy Industry Co., Ltd.	46,166	231	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Hubei Lvchuang Construction Co., Ltd.	45,880	2,278	43,035	1,954
Trade receivables	Note1	Shanghai Jingmao Yue Real Estate Co., Ltd.	45,232	577	23,006	475
Trade receivables	Note1	Shanghai Gangheng Real Estate Co., Ltd.	45,086	427	6,041	30
Trade receivables	Note1	Xuzhou Runjian Pipe Gallery Construction and Management Co., Ltd.	44,763	40	3	–
Trade receivables	Note1	Xixian New Area Xingchengrenju Real Estate Co., Ltd.	42,872	128	6,359	123
Trade receivables	Note1	Chongqing Monorail Transit Engineering Group Co., Ltd.	42,661	1,562	32,046	1,003
Trade receivables	Note1	CRCC (Wuxi) Engineering Technology Development Co., Ltd.	41,366	177	36,709	270
Trade receivables	Note1	Shaanxi Danningdong Highway Co., Ltd.	40,638	–	14,839	523
Trade receivables	Note1	CRCC Hunan Expressway Co., Ltd.	40,397	177	10,844	52
Trade receivables	Note1	Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	40,170	402	–	–
Trade receivables	Note1	CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.	39,749	40	21,010	107

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	39,206	11,953	12,996	11,296
Trade receivables	Note1	Guangxi Yujin Investment Development Co., Ltd.	39,006	276	55,114	276
Trade receivables	Note1	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	38,898	282	7,319	112
Trade receivables	Note1	CRCC (Shandong) Gaodong Highway Co., Ltd.	38,895	437	25,866	237
Trade receivables	Note1	Chengdu China Railway Huafu Real Estate Co., Ltd.	38,729	241	24,759	252
Trade receivables	Note1	Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	38,588	9,647	120,641	4,269
Trade receivables	Note1	China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	38,579	68	729	36
Trade receivables	Note1	Jiangxi Wanshui Ecological Resources Development Co., Ltd.	38,206	191	101,001	505

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Hunan Tongxi Real Estate Co., Ltd.	35,856	36	36,984	185
Trade receivables	Note1	Gansu Gonghang Travel Jiujia Expressway Management Co., Ltd.	34,779	–	4,058	301
Trade receivables	Note1	Jianyang Railway Construction Hexing Highway Investment Co., Ltd.	34,554	343	68,768	689
Trade receivables	Note1	Beijing Xinda Real Estate Co., Ltd.	34,473	76	33,839	66
Trade receivables	Note1	Qingdao Urban Construction Investment Intelligent Construction Technology Co., Ltd.	32,959	28	61,405	105
Trade receivables	Note1	Nanning Zongheng Shilin Lijiayuan Engineering Management Co., Ltd.	31,237	156	1,237	156
Trade receivables	Note1	Taiyuan Airport Hub Investment and Construction Co., Ltd.	30,755	29	550,608	565
Trade receivables	Note1	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	30,594	1,781	48,147	436
Trade receivables	Note1	Fujian Ronghui Construction Development Co., Ltd.	30,572	153	17,059	85

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Pingdu City Characteristic Town Construction Management Co., Ltd.	30,385	1,519	89,091	446
Trade receivables	Note1	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	30,050	201	52,951	240
Trade receivables	Note1	Changji Denggao Engineering Management Service Co., Ltd.	29,510	412	–	–
Trade receivables	Note1	Xuzhou Jiaokong Supply Chain Co., Ltd.	28,664	29	–	–
Trade receivables	Note1	Yunnan Kunchu Highway Investment & Development Co., Ltd.	28,608	6	39,454	10,423
Trade receivables	Note1	Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	27,874	–	12,473	32
Trade receivables	Note1	China Railway Construction & Investment Xi'an City Development Co., Ltd.	27,158	136	24,325	122
Trade receivables	Note1	Liaocheng Xurui Municipal Engineering Co., Ltd.	26,489	15	89,627	7,663
Trade receivables	Note1	China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	25,404	26	2,692	6

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Lanzhou Zhengda Pipe Gallery Project Management Co., Ltd.	24,727	870	24,995	878
Trade receivables	Note1	Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	24,083	408	21,812	109
Trade receivables	Note1	Xixian New Area Century Pipe Gallery Construction Management Co., Ltd.	23,559	85	24,727	25
Trade receivables	Note1	Gansu Jingli Expressway Longnan Management Co., Ltd.	21,974	179	22,054	250
Trade receivables	Note1	Ningbo Jinghai Investment Management Co., Ltd.	21,907	1	25,026	107
Trade receivables	Note1	Fujian Green Energy Construction Development Co., Ltd.	20,871	136	27,240	136
Trade receivables	Note1	Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	20,726	21	20,842	57
Trade receivables	Note1	Hebei China Railway Cangyan Construction Technology Co., Ltd.	20,546	21	26,010	45
Trade receivables	Note1	Ningbo Jingsheng Real Estate Co., Ltd.	19,638	26	15,734	428
Trade receivables	Note1	Jianghua Fengcheng Construction Investment Co., Ltd.	19,280	19	2,597	8

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Taiyuan Airport Hub Real Estate Co., Ltd.	19,217	118	122,482	600
Trade receivables	Note1	Beijing Jiehai Real Estate Co., Ltd.	19,000	19	15,000	574
Trade receivables	Note1	Guizhou Wengma Railway North South Extension Co., Ltd.	18,811	75	17,782	22
Trade receivables	Note1	Chongqing Pinjinyue Real Estate Development Co., Ltd.	17,709	48	14,190	142
Trade receivables	Note1	Nanjing Jingsheng Real Estate Development Co., Ltd.	17,626	88	44,491	236
Trade receivables	Note1	China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	17,481	18	1,940	72
Trade receivables	Note1	Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	17,436	78	17,617	79
Trade receivables	Note1	Lanzhou Matan Pipe Gallery Project Management Co., Ltd.	15,676	343	15,676	343
Trade receivables	Note1	Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	15,191	64	14,160	71
Trade receivables	Note1	Beijing Ruida Real Estate Co., Ltd.	14,937	25	28,161	32

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	14,598	72	19,844	106
Trade receivables	Note1	Guigang Western Outer Ring Road Highway Co., Ltd.	14,184	135	7,696	34
Trade receivables	Note1	China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	14,044	14	44	44
Trade receivables	Note1	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	13,975	17	17,890	96
Trade receivables	Note1	China Railway Construction Ningxia Expressway Co., Ltd.	13,766	107	3,416	23
Trade receivables	Note1	Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	13,212	–	670	1
Trade receivables	Note1	Ningxia Chengxin Railway Logistics Co., Ltd.	12,685	322	591	270
Trade receivables	Note1	Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	12,501	63	–	–
Trade receivables	Note1	Chongqing Daishan Construction and Development Co., Ltd.	12,121	61	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Liaocheng Rongxing Construction Investment Co., Ltd.	12,073	1,356	47,273	765
Trade receivables	Note1	CRCC Sichuan Dedu Highway Co., Ltd.	11,875	171	5,611	84
Trade receivables	Note1	China Railway Construction (Guangxi) Tiesheng Investment Co., Ltd.	11,499	57	–	–
Trade receivables	Note1	Gansu Zhuzhong Railway Co., Ltd.	11,442	118	5,645	56
Trade receivables	Note1	Tianjin Bincheng Meihaoshenghuo Co., Ltd.	11,277	2	–	–
Trade receivables	Note1	Hangzhou Genshan East Road Crossing Tunnel Management Co., Ltd.	10,548	53	8,032	40
Trade receivables	Note1	Luoyang Guozhan New Industry Development Co., Ltd.	10,143	27	27,133	27
Trade receivables	Note1	Dalian Wancheng Zhiguang Real Estate Co., Ltd.	10,000	10	10,000	10
Trade receivables	Note1	Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	10,000	100	10,000	100
Trade receivables	Note1	Changzhou Jingrui Real Estate Development Co., Ltd.	9,881	7	28,198	73

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	9,866	49	10,797	54
Trade receivables	Note1	Bay Area (Guangdong) Construction Assembly Technology Co., Ltd.	9,479	–	1,863	–
Trade receivables	Note1	Concesionaria de Autopista del Sureste SA de CV-Arriaga	9,384	120	26,855	–
Trade receivables	Note1	Chongqing Jianlian New Real Estate Development Co., Ltd.	9,090	35	9,251	36
Trade receivables	Note1	Tianshui Tonghao Tram Co., Ltd.	8,982	256	68,162	456
Trade receivables	Note1	Tianjin China Railway Yuhua Real Estate Co., Ltd.	8,867	828	6,532	828
Trade receivables	Note1	Fuentesblancas Proyectos Inmobiliarios, S. L.	8,671	7,989	–	–
Trade receivables	Note1	Hubei Railway Green Building Materials Co., Ltd.	8,576	43	1,684	8
Trade receivables	Note1	Tianjin China Railway Jinyu Real Estate Co., Ltd.	8,499	–	8,499	–
Trade receivables	Note1	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	8,179	–	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	8,146	14	68,066	14
Trade receivables	Note1	Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	8,113	406	9,914	50
Trade receivables	Note1	China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	8,041	127	15,107	21
Trade receivables	Note1	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	7,587	8	–	–
Trade receivables	Note1	Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	7,536	75	6,435	64
Trade receivables	Note1	Hubei Railway Group Ziyun Co., Ltd.	7,482	37	10,820	52
Trade receivables	Note1	Yangjiang Zhongcai Railway Construction Project Management Co., Ltd.	7,122	38	–	–
Trade receivables	Note1	Shanghai Jingmiaoxin Real Estate Co., Ltd.	6,608	17	7,361	21
Trade receivables	Note1	Kunming Fuyi Highway Co., Ltd.	6,388	–	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	Note1	Changsha Yuchi River Basin Development and Investment Co., Ltd.	6,373	32	2	–
Trade receivables	Note1	Hebei Canggang Railway Construction and Transportation Co., Ltd.	6,365	57	137,940	690
Trade receivables	Note1	Quanzhou Futie Construction Investment Co., Ltd.	6,175	–	–	–
Trade receivables	Note1	Guizhou Jinrentong Expressway Development Co., Ltd.	4,542	5	3,499	3
Trade receivables	Note1	Jiangsu Yinbao Gangkai Construction Co., Ltd.	2,584	280	161,076	1,110
Trade receivables	Note1	CRCC Shaanxi Meitai Expressway Co., Ltd.	1,207	6	95	–
Trade receivables	Note1	China Construction 3rd Bureau (Xiamen) Minsheng Construction Investment Co., Ltd.	–	–	55,142	426
Trade receivables		Others	241,465	6,121	2,362,543	20,650
Total			12,260,671	266,333	11,769,969	141,027
Other receivables	Note2	BeiJing Xintiexinjian Investment Co., Ltd.	2,579,308	2,579	2,296,318	1,610
Other receivables	Note2	Beijing Xinda Real Estate Co., Ltd.	2,564,516	76,484	114,996	76,484
Other receivables	Note2	Tianjin Wanhe Real Estate Co., Ltd.	2,454,672	943,172	2,500,872	560,059

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other receivables	Note2	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	1,924,836	1,981	1,830,180	1,873
Other receivables	Note2	Guangzhou ShengDu Investment Development Co., Ltd.	1,361,455	1,361	1,350,614	1,351
Other receivables	Note2	Beijing Ruida Real Estate Co., Ltd.	1,316,765	71,514	1,313,942	70,612
Other receivables	Note2	Wuhan Zhaorui Real Estate Co., Ltd.	1,308,418	281,849	1,272,589	53,088
Other receivables	Note2	Beijing Jiehai Real Estate Co., Ltd.	979,944	980	979,944	980
Other receivables	Note2	Chengdu Tiecheng Real Estate Co., Ltd.	969,857	970	926,302	926
Other receivables	Note2	Guangzhou Suiyun Real Estate Co., Ltd.	935,809	366,820	825,810	183,360
Other receivables		CRCC Guizhou Engineering Investment Co., Ltd	917,157	170,775	913,244	232,895
Other receivables	Note2	Kunming Qiping Real Estate Co., Ltd.	804,301	227,619	733,454	918
Other receivables	Note2	Xi'an Kaishengda Real Estate Co., Ltd.	736,668	737	–	–
Other receivables	Note2	Shunhao Real Estate Co., Ltd. Shunde District, Foshan City	678,135	227,956	48,060	47,956
Other receivables	Note2	Guangzhou Nansha Kecheng Investment Development Co., Ltd.	666,608	667	634,259	634
Other receivables		China Railway Construction & Investment Xi'an City Development Co., Ltd.	617,283	100,800	600,247	27,935

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other receivables	Note2	Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	590,838	375,936	599,557	374,376
Other receivables	Note2	Nanjing Yuanchen Real Estate Co., Ltd.	563,760	24,090	567,760	568
Other receivables	Note2	Ningbo Jingwan Investment Management Co., Ltd.	492,587	493	488,585	489
Other receivables	Note2	Fuzhou Xinchen Real Estate Co., Ltd.	482,574	809	458,584	459
Other receivables	Note2	Changchun Jingde Real Estate Development Co., Ltd.	468,104	468	468,214	468
Other receivables	Note2	Suzhou Jingzhao Real Estate Development Co., Ltd.	441,545	442	422,121	1,456
Other receivables		China Railway Construction Sichuan Dejian Expressway Co., Ltd.	413,364	2,103	413,825	2,103
Other receivables	Note2	Yangzhou Jingteng Real Estate Co., Ltd.	394,844	395	373,395	373
Other receivables		CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	378,970	12,155	106,521	3,654
Other receivables	Note2	Xixian New Area Xingchengrenju Real Estate Co., Ltd.	345,241	344	272,888	321
Other receivables	Note2	Guangzhou Tieyue Real Estate Development Co., Ltd.	333,654	334	124,381	124
Other receivables	Note2	Beijing Liuzhuang Real Estate Co., Ltd.	209,663	210	209,663	210

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other receivables	Note2	Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	208,507	209	209,261	209
Other receivables	Note2	Deqing Jingsheng Real Estate Development Co., Ltd.	188,264	188	188,264	188
Other receivables	Note2	Chengdu China Railway Huafu Real Estate Co., Ltd.	147,729	148	78,142	78
Other receivables	Note2	Sanya Zhongcheng Real Estate Co., Ltd.	143,655	30,765	133,588	24,041
Other receivables		CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	131,835	990	201,536	990
Other receivables	Note2	Nanjing Jingsheng Real Estate Development Co., Ltd.	130,789	131	189,439	189
Other receivables	Note2	Suzhou Ruihua Real Estate Co., Ltd.	128,331	11,163	124,556	125
Other receivables		Guangxi Yujin Investment Development Co., Ltd.	113,235	125	137,840	136
Other receivables	Note2	Chongqing Jianlian New Real Estate Development Co., Ltd.	112,000	112	132,000	132
Other receivables	Note2	Shanghai Wanjinglong Real Estate Co., Ltd.	17,225	38	–	–
Other receivables	Note2	Changsha Zhicheng Real Estate Co., Ltd.	15,366	77	211,014	1,055
Other receivables		Others	1,318,879	76,414	1,893,245	64,304
Total			28,586,691	3,014,403	24,345,210	1,736,729

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)		Zhaotong Mayi Expressway Investment and Development Co., Ltd.	1,220,823	5,497	1,215,000	6,075
Long-term receivables (including current portion)		CRCC Investment Jizhong Development and Construction Co., Ltd.	972,241	4,861	537,391	2,687
Long-term receivables (including current portion)	Note2	Chengdu Tiecheng Real Estate Co., Ltd.	689,065	689	689,065	689
Long-term receivables (including current portion)	Note2	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	623,171	418,279	665,736	430,768
Long-term receivables (including current portion)		Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	600,929	3,005	280,282	1,248
Long-term receivables (including current portion)		Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	554,798	2,550	757,722	3,789
Long-term receivables (including current portion)		Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	520,626	2,603	288,699	1,443
Long-term receivables (including current portion)		CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	496,017	2,480	477,192	2,406

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Yuxi China Railway Infrastructure Construction Co., Ltd.	471,962	899	396,964	2,048
Long-term receivables (including current portion)	Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	460,200	2,294	460,200	2,294
Long-term receivables (including current portion)	Jinan Tieying Urban-Rural Construction Co., Ltd.	453,086	2,665	106,603	567
Long-term receivables (including current portion)	Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	428,999	3,413	428,969	3,332
Long-term receivables (including current portion)	Dong'e Huicheng Investment Development and Construction Co., Ltd.	384,362	1,922	354,788	1,775
Long-term receivables (including current portion)	Chongqing Tiefa Jianxin Highway Co., Ltd.	359,364	676	77,800	318
Long-term receivables (including current portion)	Chongqing Yuxiang Fuxian Highway Co., Ltd.	312,516	1,563	–	–
Long-term receivables (including current portion)	Qingdao Metro Line 4 Co., Ltd.	302,250	3,559	1,338,555	7,741
Long-term receivables (including current portion)	Anqing High speed Railway New Area Construction Investment Co., Ltd.	299,885	1,499	299,791	1,499

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)		CRCC Investment Baoding Urban Development and Construction Co., Ltd.	299,766	1,499	272,055	1,360
Long-term receivables (including current portion)	Note2	Changsha Zhicheng Real Estate Co., Ltd.	285,875	377	189,591	2,708
Long-term receivables (including current portion)		Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	282,602	283	–	–
Long-term receivables (including current portion)		Sichuan Chengmian Cangba Expressway Co., Ltd.	274,067	275	–	–
Long-term receivables (including current portion)		China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	251,139	1,306	488,836	2,465
Long-term receivables (including current portion)		Jiangsu Yinbao Gangkai Construction Co., Ltd.	240,198	529	257,798	1,289
Long-term receivables (including current portion)		CRCC East China (Cixi) Construction Co., Ltd.	238,489	438	192,433	192
Long-term receivables (including current portion)		China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	236,407	1,168	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)		China Railway Construction & Investment Xi'an City Development Co., Ltd.	219,807	10,990	158,380	7,919
Long-term receivables (including current portion)		Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	201,760	1,009	267,963	1,342
Long-term receivables (including current portion)		Linqing Anrun Investment Development and Construction Co., Ltd.	176,508	719	141,912	525
Long-term receivables (including current portion)	Note2	Shanghai Gangheng Real Estate Co., Ltd.	168,484	842	168,484	842
Long-term receivables (including current portion)	Note2	China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd.	158,965	795	135,686	678
Long-term receivables (including current portion)		CRCC Luoyang Guozhan Development and Construction Co., Ltd	149,117	–	–	–
Long-term receivables (including current portion)		Taiyuan Airport Hub Real Estate Co., Ltd.	141,739	353	299,791	1,499
Long-term receivables (including current portion)		Guizhou Wengma Railway Co., Ltd.	140,468	147	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	138,705	139	16,523	64
Long-term receivables (including current portion)	Shaanxi Huangpu Expressway Co., Ltd.	132,617	133	–	–
Long-term receivables (including current portion)	Yangzhou Wantou Jade Feature Town Co., Ltd.	120,130	601	14,619	97
Long-term receivables (including current portion)	Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	119,996	240	–	–
Long-term receivables (including current portion)	Ningxia Chengxin Railway Logistics Co., Ltd.	107,843	143	–	–
Long-term receivables (including current portion)	Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	106,984	535	–	–
Long-term receivables (including current portion)	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	105,967	144	42,710	–
Long-term receivables (including current portion)	Tianjin China Railway Huituo Real Estate Co., Ltd.	104,445	345	78,261	215

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Note2	China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	97,169	486	161,534	428
Long-term receivables (including current portion)		Luoyang Guozhan New Industry Development Co., Ltd.	90,815	98	98,321	98
Long-term receivables (including current portion)		China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	87,034	435	165,380	831
Long-term receivables (including current portion)		Chongqing Yusui Fuxian Highway Co., Ltd.	84,518	–	10,491	–
Long-term receivables (including current portion)		Zaozhuang Jinjie Construction Investment Co., Ltd.	82,663	511	28,134	141
Long-term receivables (including current portion)		Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	81,989	7,927	61,689	1,926
Long-term receivables (including current portion)		Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	76,437	334	63,854	319

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)		Taiyuan Jinyuan East District Comprehensive Pipe Gallery Construction Management Co., Ltd.	75,847	–	31,896	50
Long-term receivables (including current portion)		Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	75,569	516	45,214	226
Long-term receivables (including current portion)		Hunan Tongxi Real Estate Co., Ltd.	75,276	75	52,518	263
Long-term receivables (including current portion)		Liaocheng Rongxing Construction Investment Co., Ltd.	71,042	355	31,036	155
Long-term receivables (including current portion)	Note2	Fujian Ronghui Construction Development Co., Ltd.	67,579	338	10,169	–
Long-term receivables (including current portion)		China Railway Construction Beishui (Putian) Water Co., Ltd.	67,557	338	76	76
Long-term receivables (including current portion)		Anhui Huiyu Construction Engineering Co., Ltd.	66,317	691	88,691	663
Long-term receivables (including current portion)		Wantong Intercity Railway Co., Ltd.	61,735	309	103,852	643
Long-term receivables (including current portion)		Tianjin Bincheng Meihaoshenghuo Co., Ltd.	60,036	326	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	59,676	298	822	4
Long-term receivables (including current portion)	Suzhou Ruihua Real Estate Co., Ltd.	55,889	56	43,161	432
Long-term receivables (including current portion)	China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	53,794	54	49,469	49
Long-term receivables (including current portion)	Chongqing Danai Expressway Co., Ltd.	50,674	–	–	–
Long-term receivables (including current portion)	Tianjin Urban Construction Jinyu Real Estate Co., Ltd.	49,000	49	256,388	946
Long-term receivables (including current portion)	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	48,786	2,407	22,932	2,293
Long-term receivables (including current portion)	Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	45,416	227	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	China Railway Construction Port and Navigation Bureau Group Qingyuan Port Feilaixia Port Co., Ltd.	44,466	299	55,108	276
Long-term receivables (including current portion)	Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	42,909	215	56,028	42
Long-term receivables (including current portion)	Ningbo Jingwan Investment Management Co., Ltd.	39,910	200	26,780	134
Long-term receivables (including current portion)	Jianghua Fengcheng Construction Investment Co., Ltd.	39,684	40	333,005	1,030
Long-term receivables (including current portion)	Jiashan Chengfa Construction and Development Co., Ltd.	38,951	39	–	–
Long-term receivables (including current portion)	Kunming Qiping Real Estate Co., Ltd.	38,445	121	–	–
Long-term receivables (including current portion)	Sichuan Jinsuiyuan Construction Development Co., Ltd.	38,384	192	30,021	150
Long-term receivables (including current portion)	Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	37,711	189	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	35,457	858	59,571	770
Long-term receivables (including current portion)	Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	35,422	321	–	–
Long-term receivables (including current portion)	Ningxia High-speed Rail Industry Development Co., Ltd.	34,056	1,407	76,271	–
Long-term receivables (including current portion)	China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	33,025	64	29,534	148
Long-term receivables (including current portion)	Guizhou Jinrentong Expressway Development Co., Ltd.	31,435	31	–	–
Long-term receivables (including current portion)	Lanzhou Zhengda Pipe Gallery Project Management Co., Ltd.	31,235	–	10,169	–
Long-term receivables (including current portion)	Changzhou Jingrui Real Estate Development Co., Ltd.	30,426	432	24,696	–
Long-term receivables (including current portion)	Chongqing Tongsheng Infrastructure Construction Co., Ltd.	28,443	28	28,443	28

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)		Xixian New Area Xingchengrenju Real Estate Co., Ltd.	28,105	84	96,941	42
Long-term receivables (including current portion)		Chengdu China Railway Huafu Real Estate Co., Ltd.	20,314	40	47,227	8
Long-term receivables (including current portion)		Suzhou Jingzhao Real Estate Development Co., Ltd.	13,495	42	92,358	92
Long-term receivables (including current portion)		China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	2,010	8	253,119	1,271
Long-term receivables (including current portion)		CRCC Sichuan Dedu Highway Co., Ltd.	510	1,471	289,945	1,599
Long-term receivables (including current portion)		CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	122	1	222,431	1,112
Long-term receivables (including current portion)		Hohhot Metro Line 2 Construction & Management Co., Ltd.	–	–	329,180	45,770
Long-term receivables (including current portion)		Huayuan County Zixia Lake Development and Investment Co., Ltd.	–	–	113,487	575
Long-term receivables (including current portion)	Note2	Suzhou Jinghong Real Estate Development Co., Ltd.	–	–	101,581	102

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Others	785,580	4,973	947,760	111
Total		16,567,285	508,349	15,649,081	552,677
Interest receivable	Sanya Zhongcheng Real Estate Co., Ltd.	14,335	3,193	12,889	1,510
Interest receivable	Taiyuan Airport Hub Real Estate Co., Ltd.	7,871	1,224	6,428	536
Interest receivable	CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	1,132	–	–	–
Total		23,338	4,417	19,317	2,046
Dividends receivable	Jinan Rail China Railway Segment Manufacturing Co., Ltd.	77,100	2,861	–	–
Dividends receivable	CRCC Financial Leasing Co., Ltd.	51,643	145	–	–
Dividends receivable	Shandong High-speed Railway Construction Equipment Co., Ltd.	35,449	8,610	39,949	40
Dividends receivable	Beijing Blue Ocean Private Equity Fund Management Co., Ltd.	17,460	–	–	–
Dividends receivable	Chongqing Monorail Transit Engineering Group Co., Ltd.	11,138	–	4,729	–
Dividends receivable	Changde Yuanjiang Tunnel Co., Ltd.	9,717	49	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Dividends receivable	Chongqing China Railway Construction Industrial Co., Ltd.	7,779	–	–	–
Dividends receivable	Cangzhou Tieshi Urban Development Co., Ltd.	5,044	252	5,044	25
Dividends receivable	Others	3,469	146	317,847	1,531
Total		218,799	12,063	367,569	1,596
Debt investments	Hengda Real Estate (Shenzhen) Co., Ltd.	2,927,340	2,927,340	2,927,357	2,927,357
Debt investments	Jinan Tieying Urban-Rural Construction Co., Ltd.	960,429	130,789	–	–
Debt investments	Yunnan Gangcheng Infrastructure Construction Co., Ltd.	523,058	523	524,058	524
Debt investments	Linqing Anrun Investment Development and Construction Co., Ltd.	337,677	1,688	–	–
Debt investments	Liaocheng Xurui Municipal Engineering Co., Ltd.	268,928	1,345	258,634	1,293
Debt investments	Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	137,138	686	139,139	696
Debt investments	Bengbu Hengjian Construction Co., Ltd.	116,831	584	111,485	557

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Debt investments		Others	268,460	1,108	1,237,383	173,501
Total			5,539,861	3,064,063	5,198,056	3,103,928
Other non-current assets		China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	60,525	303	56,411	282
Other non-current assets	(Note)	CRCC Financial Leasing Co., Ltd.	–	–	44,870	–
Total			60,525	303	101,281	282
Contract assets		Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	513,878	1,704	632,667	3,322
Contract assets		Gansu Jingli Expressway Longnan Management Co., Ltd.	328,569	202	389,121	1,576
Contract assets		Guizhou Wengma Railway North South Extension Co., Ltd.	297,718	319	13,806	15
Contract assets		Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	151,369	2,978	107,928	775

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	149,371	3,485	176,427	3,485
Contract assets	Guangxi Urban Rail Engineering Construction Co., Ltd.	147,617	712	25,256	253
Contract assets	Guizhou Wengma Railway Co., Ltd.	136,508	147	1,917	7
Contract assets	Nanchang Zhubang Construction Co., Ltd.	127,775	345	69,074	345
Contract assets	Shaanxi Luolu Expressway Co., Ltd.	106,431	75	21,648	22
Contract assets	Chongqing Tiefa Jianxin Highway Co., Ltd.	92,823	181	2,366	23
Contract assets	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	89,819	453	89,949	438
Contract assets	Chongqing Tongsheng Infrastructure Construction Co., Ltd.	89,222	89	3,865	84
Contract assets	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	83,605	418	7,081	35
Contract assets	Yunnan Kunchu Highway Investment & Development Co., Ltd.	80,497	251	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	70,759	489	43,926	525
Contract assets	Ningbo Jingwan Investment Management Co., Ltd.	69,659	70	69,471	–
Contract assets	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	67,375	336	257,674	1,274
Contract assets	Huaibei Zhongsui Construction Development Co., Ltd.	63,732	64	–	–
Contract assets	Quanzhou Futie Construction Investment Co., Ltd.	63,414	317	61,036	305
Contract assets	Jiashan Chengfa Construction and Development Co., Ltd.	62,947	63	60,394	60
Contract assets	Shanghai Wanjinglong Real Estate Co., Ltd.	62,554	626	45,945	230
Contract assets	China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	62,428	62	454	2
Contract assets	Hubei Railway Group Dangyuan Co., Ltd.	62,370	210	46,983	235
Contract assets	Liaocheng Rongxing Construction Investment Co., Ltd.	61,655	308	61,569	308

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Shanxi Transformation and Comprehensive Reform Demonstration Zone Yaocun Guanlang Project Management Co., Ltd.	59,018	59	10,382	104
Contract assets	Shanghai Gangheng Real Estate Co., Ltd.	58,560	293	20,309	102
Contract assets	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	57,770	58	–	–
Contract assets	Sichuan Tiexin Zhiyuan Construction Co., Ltd.	53,958	270	52,671	263
Contract assets	Ningbo Jinghai Investment Management Co., Ltd.	52,616	263	52,616	263
Contract assets	Anhui Huiyu Construction Engineering Co., Ltd.	51,727	260	3,958	20
Contract assets	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	50,685	418	83,577	418
Contract assets	Wuhu Three Gorges Phase I Water Environment Comprehensive Treatment Co., Ltd.	50,036	250	–	–
Contract assets	Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	47,667	404	47,667	395

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Shiyan Luxiang Transportation Investment Co., Ltd.	45,780	458	67,793	339
Contract assets	Three Gorges Riqing Juzhang River Ecological Governance (Dangyang) Co., Ltd.	43,292	41	–	–
Contract assets	Shandong Expressway Jinghu Expressway Co., Ltd.	42,984	215	44,474	222
Contract assets	Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	39,868	399	47,391	396
Contract assets	Kunming Qiping Real Estate Co., Ltd.	39,453	173	82,976	378
Contract assets	Shaanxi Huangpu Expressway Co., Ltd.	38,576	77	34,276	34
Contract assets	Pingdu City Characteristic Town Construction Management Co., Ltd.	37,905	190	–	–
Contract assets	Changsha Zhicheng Real Estate Co., Ltd.	36,273	256	33,182	256
Contract assets	Chengdu Yueran Real Estate Co., Ltd.	36,170	181	14,103	71
Contract assets	Suzhou Ruihua Real Estate Co., Ltd.	35,763	36	34,745	347
Contract assets	Beijing Xinda Real Estate Co., Ltd.	33,923	34	31,257	31
Contract assets	CRCC Real Estate Co., Ltd.	32,680	35	38,622	53

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Heshan No.18 Engineering Construction Co., Ltd.	32,489	–	39,347	–
Contract assets	Chongqing Yuxiang Fuxian Highway Co., Ltd.	31,824	159	29,426	29
Contract assets	Shanghai Jingmao Yue Real Estate Co., Ltd.	30,887	154	7,498	37
Contract assets	Guangxi Shatie Railway Co., Ltd.	29,658	85	19,225	53
Contract assets	Nanping New City Port Development Co., Ltd.	28,527	143	22,251	111
Contract assets	Hubei Railway Group Ziyun Co., Ltd.	26,561	133	31,687	158
Contract assets	Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	24,906	124	–	–
Contract assets	Chengdu Yuelin Real Estate Co., Ltd.	24,229	121	40,544	203
Contract assets	CRCC Shaanxi Meitai Expressway Co., Ltd.	23,246	324	1,089	5
Contract assets	Yangjiang Zhongcai Railway Construction Project Management Co., Ltd.	21,727	120	20,669	103
Contract assets	Hunan Tongxi Real Estate Co., Ltd.	21,722	142	37,497	187
Contract assets	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	20,179	107	4,739	209

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	20,125	101	36,574	218
Contract assets	Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	19,839	26	28,031	26
Contract assets	Hangzhou Jiandejiang Investment Co., Ltd.	18,675	123	9,413	110
Contract assets	CRCC Kunlun Yunnan Real Estate Co., Ltd.	18,421	93	22,038	91
Contract assets	Jiangxi Leshui Ecotourism Development Co., Ltd.	17,683	88	17,683	88
Contract assets	Ningxia High-speed Rail Industry Development Co., Ltd.	17,320	249	14,108	21
Contract assets	Nanjing Jingyue Real Estate Development Co., Ltd.	16,494	82	12,358	12
Contract assets	Guizhou Baoyuan Real Estate Co., Ltd.	16,256	81	16,256	81
Contract assets	Chongqing Jianlian New Real Estate Development Co., Ltd.	16,042	80	13,497	67
Contract assets	CRCC Investment Jizhong Development and Construction Co., Ltd.	15,562	78	15,412	77

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	15,220	–	4,241	–
Contract assets	CRCC East China (Cixi) Construction Co., Ltd.	14,661	15	1,021	1
Contract assets	Liuzhou North City China Railway Beijin Project Management Co., Ltd.	14,499	–	–	–
Contract assets	Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	14,204	71	20,835	249
Contract assets	Guangzhou ShengDu Investment Development Co., Ltd.	13,993	70	42,083	210
Contract assets	CRCC Development (Rizhao) Environmental Protection Co., Ltd.	13,495	13	55,760	489
Contract assets	Suzhou Jingzhao Real Estate Development Co., Ltd.	13,395	12	4,502	–
Contract assets	Xinjiang Shuifa Yaochi Project Management Co., Ltd.	13,341	13	–	–
Contract assets	Chengdu Huaisheng Project Management Co., Ltd.	13,031	74	14,887	74
Contract assets	Jianghua Fengcheng Construction Investment Co., Ltd.	12,455	12	–	–
Contract assets	Zaozhuang Jinjie Construction Investment Co., Ltd.	12,077	60	–	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

		31 December 2025		31 December 2024	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Liuzhou Baode Investment and Construction Co., Ltd.	11,922	60	15,848	79
Contract assets	CRCC Investment Baoding Urban Development and Construction Co., Ltd.	11,546	58	13,142	66
Contract assets	Wuwei Tongda Highway Construction Co., Ltd.	11,317	655	11,317	655
Contract assets	Jiangsu Yinbao Gangkai Construction Co., Ltd.	11,279	–	5,664	–
Contract assets	Guangzhou Nansha Kecheng Investment Development Co., Ltd.	11,108	56	91,342	457
Contract assets	China Railway Construction (Guangxi) Tiesheng Investment Co., Ltd.	11,098	–	10,987	–
Contract assets	Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	11,052	56	53,352	267
Contract assets	Gansu Dundang Expressway Project Management Co., Ltd.	10,101	51	25,392	13
Contract assets	Others	238,304	2,965	1,526,950	17,521
Total		4,957,269	25,128	5,225,221	38,978

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

RMB'000

			31 December 2025		31 December 2024	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Loans and advances	Note3	China Railway Construction Corporation	1,448,700	43,989	1,095,056	34,203
Loans and advances	Note3	Hangqu Railway Co., Ltd.	–	–	83,360	4,012
Total			1,448,700	43,989	1,178,416	38,215
Prepayments		CRCC Financial Leasing Co., Ltd.	170,868	–	66,727	–
Prepayments		Hebei China Railway Cangyan Construction Technology Co., Ltd.	29,945	–	–	–
Prepayments		Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	7,278	–	–	–
Prepayments		Others	8,250	–	44,076	–
Total			216,341	–	110,803	–
Other current assets		Guizhou Baoyuan Real Estate Co., Ltd.	6,599	7	855	1
Other current assets		Gansu Dundang Expressway Project Management Co., Ltd.	1,110	10	1,065	10
Total			7,709	17	1,920	11

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable

RMB'000

			31 December 2025	31 December 2024
Bills payable	Note1	Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	3,000	–
Bills payable	Note1	Xuzhou Jiaokong Supply Chain Co., Ltd.	–	60,000
Bills payable	Note1	Zhuhai Jiaojian Engineering Co., Ltd.	–	10,583
Bills payable	Note1	Gansu Tietou Materials Co., Ltd.	–	5,000
Bills payable	Note1	Hubei Lvchuang Construction Co., Ltd.	–	2,000
Bills payable		Others	–	2,054
Total			3,000	79,637
Accounts payable	Note1	CRCC Financial Leasing Co., Ltd.	339,964	402,362
Accounts payable	Note1	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	229,879	–
Accounts payable	Note 1	Xuzhou Jiaokong Supply Chain Co., Ltd.	200,787	320,114
Accounts payable	Note 1	CRCC (Wuxi) Engineering Technology Development Co., Ltd.	109,946	30,757
Accounts payable	Note 1	Guangxi Urban Rail Engineering Construction Co., Ltd.	108,158	78,596
Accounts payable	Note 1	Kunming Tiexin Construction Engineering Management Co., Ltd.	90,724	13,863
Accounts payable	Note 1	Hubei Lvchuang Construction Co., Ltd.	82,074	14,128
Accounts payable	Note 1	Shandong High-speed Railway Construction Equipment Co., Ltd.	76,114	136,728
Accounts payable	Note 1	Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	73,363	51,374
Accounts payable	Note 1	Foshan Road and Bridge Prefabricated Components Co., Ltd.	72,743	28,784
Accounts payable	Note 1	Gansu Tietou Materials Co., Ltd.	69,024	102,274
Accounts payable	Note 1	Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	56,473	136,460
Accounts payable	Note 1	Jinan Rail China Railway Segment Manufacturing Co., Ltd.	56,105	77,434
Accounts payable	Note 1	Nanchang Railway Building Materials Co., Ltd.	39,085	59,765
Accounts payable	Note 1	Chongqing Monorail Transit Engineering Group Co., Ltd.	30,530	19,334
Accounts payable	Note 1	Chengdu Chengtou Urban Construction Technology Co., Ltd.	28,742	27,807
Accounts payable	Note 1	Shaanxi Railway Engineering Survey Co., Ltd.	24,540	8,960

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Accounts payable	Note 1	Hebei China Railway Cangyan Construction Technology Co., Ltd.	22,402	26,798
Accounts payable	Note 1	Kunshan Transportation Construction Environmental Protection Prefabricated Components Co., Ltd.	21,939	6,771
Accounts payable	Note 1	Taiyuan Airport Hub Real Estate Co., Ltd.	21,815	–
Accounts payable	Note1	Shenzhen Building Materials Trading Group Construction Technology Co., Ltd.	20,633	–
Accounts payable	Note1	Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	19,985	8,035
Accounts payable	Note 1	Shandong Expressway New Material Technology Co., Ltd.	18,607	8,483
Accounts payable	Note 1	Baoding Lingyu New Building Materials Co., Ltd.	13,738	9,654
Accounts payable	Note 1	Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	13,682	10,778
Accounts payable	Note 1	Hubei Railway Green Building Materials Co., Ltd.	10,738	–
Accounts payable	Note 1	Nantong Tiejian Construction Components Co., Ltd.	10,623	9,280
Accounts payable	Note 1	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	8,153	8,153
Accounts payable	Note 1	Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	7,195	7,251
Accounts payable	Note 1	Tianjin China Railway Guancheng Real Estate Co., Ltd.	5,940	–
Accounts payable	Note 1	Wuhan Green Shade Ecological Environment Technology Co., Ltd.	5,877	30,276
Accounts payable	Note 1	China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	5,828	4,363
Accounts payable	Note 1	Guangzhou Jingsui Survey and Design Co., Ltd.	–	5,814
Accounts payable		Others	220,989	281,684
Total			2,116,395	1,926,080
Contract liabilities	Note4	Yunnan Luqiu Guangfu Expressway Investment and Development Co., Ltd.	679,100	737,000

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Contract liabilities	Note4	Wuxue Port Multimodal Transport Investment Development Co., Ltd.	538,787	–
Contract liabilities	Note4	Guizhou Jinrentong Expressway Development Co., Ltd.	501,187	609,860
Contract liabilities	Note4	Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	500,819	35,049
Contract liabilities	Note4	Guiyang Changda Rail Transit Construction Co., Ltd.	424,565	83,483
Contract liabilities	Note4	Sichuan Tianmeile Highway Co., Ltd.	301,035	118,289
Contract liabilities	Note4	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	286,793	456,948
Contract liabilities	Note4	Hebei Canggang Railway Construction and Transportation Co., Ltd.	252,232	–
Contract liabilities	Note4	Chongqing Tiefa Jianxin Highway Co., Ltd.	231,757	65,493
Contract liabilities	Note4	Sichuan Chengmian Cangba Expressway Co., Ltd.	197,105	673,190
Contract liabilities	Note4	China Railway Construction Ningxia Expressway Co., Ltd.	193,428	–
Contract liabilities	Note4	Tianshui Tram Co., Ltd.	176,916	21,539
Contract liabilities	Note4	Guigang Hesi Quanyu Tourism Development Co., Ltd.	159,133	95,000
Contract liabilities	Note4	Cangzhou Tieshi Urban Development Co., Ltd.	156,491	28,880
Contract liabilities	Note4	Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	143,089	145,040
Contract liabilities	Note4	Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	132,281	–
Contract liabilities	Note4	Nantong Yanglu Railway Development and Construction Co., Ltd.	122,319	–
Contract liabilities	Note4	Tianjin Ninghe Rural Highway Engineering Co., Ltd.	92,725	7,329
Contract liabilities	Note4	CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	92,082	–
Contract liabilities	Note4	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	87,289	52,570
Contract liabilities	Note4	Zhaotong Mayi Expressway Investment and Development Co., Ltd.	81,072	–
Contract liabilities	Note4	Sichuan Nansuitong Expressway Co., Ltd	75,582	157,964
Contract liabilities	Note4	Wuhan Tongtong Tunnel Construction Investment Co., Ltd.	68,271	–
Contract liabilities	Note4	CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	58,739	134,457
Contract liabilities	Note4	Sichuan Suide Expressway Co., Ltd.	54,858	26,336

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Contract liabilities	Note4	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	50,685	–
Contract liabilities	Note4	Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	46,955	15,556
Contract liabilities	Note4	Guizhou Wengma Railway North South Extension Co., Ltd.	45,338	27,975
Contract liabilities	Note4	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	38,365	29,527
Contract liabilities	Note4	Luoyang Guozhan New Industry Development Co., Ltd.	38,295	7,570
Contract liabilities	Note4	China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	38,249	637
Contract liabilities	Note4	Hangzhou Xiasha Road Tunnel Co., Ltd.	34,094	5,876
Contract liabilities	Note4	Tianjin Line 1 Rail Transit Operation Co., Ltd.	33,415	34,567
Contract liabilities	Note4	Hunan Maglev Transportation Development Co., Ltd.	32,821	–
Contract liabilities	Note4	Yuxi China Railway Infrastructure Construction Co., Ltd.	31,921	–
Contract liabilities	Note4	CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	27,562	10,106
Contract liabilities	Note4	CRCC Luoyang Guozhan Development and Construction Co., Ltd	26,291	–
Contract liabilities	Note4	Beijing Urban Railway Construction Rail Transit Investment and Development Co., Ltd.	25,112	–
Contract liabilities	Note4	CRCC East China (Cixi) Construction Co., Ltd.	23,530	141,250
Contract liabilities	Note4	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	21,774	8,642
Contract liabilities	Note4	Guangxi Urban Rail Engineering Construction Co., Ltd.	21,514	7,643
Contract liabilities	Note4	Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	19,657	12,000
Contract liabilities	Note4	CRCC Shaanxi Meitai Expressway Co., Ltd.	18,123	23,621
Contract liabilities	Note4	Chongqing Monorail Transit Engineering Group Co., Ltd.	17,772	8,522
Contract liabilities	Note4	CRCC Xinjiang Jingxin Expressway Co., Ltd.	17,144	10,679

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Contract liabilities	Note4	Nanning Zongheng Shilin Lijiayuan Engineering Management Co., Ltd.	14,768	768
Contract liabilities	Note4	Sichuan Jintou Project Investment Co., Ltd.	13,856	65,370
Contract liabilities	Note4	Chongqing Chengyu Dianfengwu Expressway Co., Ltd.	4,592	45,923
Contract liabilities	Note4	Tianjin Bincheng Meihaoshenghuo Co., Ltd.	3,860	30,233
Contract liabilities	Note4	China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	3,750	3,750
Contract liabilities	Note4	Heshan No.18 Engineering Construction Co., Ltd.	–	7,962
Contract liabilities		Others	222,580	3,036,654
Total			6,479,678	6,983,258
Other payables	Note1	Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	3,032,682	2,378,696
Other payables	Note1	Shanghai Wanjinglong Real Estate Co., Ltd.	2,121,145	1,511,648
Other payables	Note1	Shanghai Jingmao Yue Real Estate Co., Ltd.	1,509,383	–
Other payables	Note1	CRCC Xinjiang Jingxin Expressway Co., Ltd.	1,161,481	2,322,963
Other payables	Note1	Tianjin Line 1 Rail Transit Operation Co., Ltd.	741,167	22,959
Other payables	Note1	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	737,070	–
Other payables	Note1	Shanghai Jingmiaoxin Real Estate Co., Ltd.	718,606	709,885
Other payables	Note1	Chongqing Gaotiefa Commercial Factoring Co., Ltd.	717,986	450,915
Other payables	Note1	Chongqing Tiefa Jianxin Highway Co., Ltd.	704,161	701,857
Other payables	Note1	Shanghai Xinjinghui Real Estate Development Co., Ltd.	591,798	721,178
Other payables	Note1	Guiyang Changda Rail Transit Construction Co., Ltd.	568,647	1,087,294
Other payables	Note1	CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	475,996	638
Other payables	Note1	Ningbo Runsheng Real Estate Development Co., Ltd.	447,082	438,886
Other payables	Note1	China Railway Construction Ningxia Expressway Co., Ltd.	440,434	85,017

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Other payables	Note1	CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	439,752	267,926
Other payables	Note1	CRCC Sichuan Dedu Highway Co., Ltd.	417,370	406,856
Other payables	Note1	BeiJing Xintiexinjian Investment Co., Ltd.	392,996	303,124
Other payables	Note1	Kunming Fuyi Highway Co., Ltd.	369,000	573,474
Other payables	Note1	Shanghai Xinfucheng Real Estate Development Co., Ltd.	363,563	363,564
Other payables	Note1	Jiangyin China Railway Construction Kunlun City Development Co., Ltd.	357,814	410,606
Other payables	Note1	China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	343,497	1,135
Other payables	Note1	Chongqing Sensor Industrial Park Construction and Operation Co., Ltd.	335,732	283,077
Other payables	Note1	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	313,993	1,958
Other payables	Note1	Guizhou Tongxin Expressway Development Co., Ltd.	306,825	304,345
Other payables	Note1	Shanghai Xinruicheng Real Estate Development Co., Ltd.	304,807	296,066
Other payables	Note1	Chongqing Yusui Fuxian Highway Co., Ltd.	304,630	217,270
Other payables	Note1	CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	288,100	11,519
Other payables	Note1	Kunming Kunlun Shouzhi Real Estate Co., Ltd.	244,250	244,250
Other payables	Note1	Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	219,076	221,076
Other payables	Note1	Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	204,448	132,565
Other payables	Note1	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	202,549	720
Other payables	Note1	Kunming Sanqing Highway Co., Ltd.	181,178	167,506
Other payables	Note1	CRCC Investment Baoding Urban Development and Construction Co., Ltd.	170,277	216,288
Other payables	Note1	Wuhan Jinkun Real Estate Development Co., Ltd.	164,115	–
Other payables	Note1	China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	150,242	1,340
Other payables	Note1	CRCC Shaanxi Meitai Expressway Co., Ltd.	140,948	7,974

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Other payables	Note1	Yunnan Kunchu Highway Investment & Development Co., Ltd.	138,852	934,366
Other payables	Note1	China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	133,320	100,751
Other payables	Note1	Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	119,491	214,466
Other payables	Note1	Guangzhou Hongxuan Real Estate Co., Ltd.	118,489	118,489
Other payables	Note1	Zhangjiakou Hong'ao Infrastructure Construction and Development Co., Ltd.	104,664	19,388
Other payables	Note1	China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	99,842	96,926
Other payables	Note1	Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	99,477	100,153
Other payables	Note1	CRCC Real Estate Co., Ltd.	90,877	4,182
Other payables	Note1	Guizhou Guijin Expressway Co., Ltd.	89,606	88,069
Other payables	Note1	Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	89,395	35,030
Other payables	Note1	Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	87,240	85,237
Other payables	Note1	Nanjing Jingrui Real Estate Investment Co., Ltd.	86,266	66,016
Other payables	Note1	Fuzhou Donglin Ring Expressway Co., Ltd.	83,643	6,853
Other payables	Note1	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	78,524	56,438
Other payables	Note1	Chengdu Zhongwan Yixing Real Estate Co., Ltd.	72,520	91,359
Other payables	Note1	Yunnan Luxun Highway Co., Ltd.	71,485	117,470
Other payables	Note1	Baoding Hongmao Real Estate Development Co., Ltd.	69,393	69,292
Other payables	Note1	Sichuan Nansuitong Expressway Co., Ltd	68,866	230,742
Other payables	Note1	CRCC Kunlun Yunnan Real Estate Co., Ltd.	65,563	57,916
Other payables	Note1	Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	64,417	121,373
Other payables	Note1	Nanjing Jingsheng Real Estate Development Co., Ltd.	63,187	190,024
Other payables	Note1	Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	62,251	37,988

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Other payables	Note1	Suzhou Jinghong Real Estate Development Co., Ltd.	62,203	183
Other payables	Note1	Guangzhou Baorui Real Estate Development Co., Ltd.	61,859	61,859
Other payables	Note1	Yangzhou Wantou Jade Feature Town Co., Ltd.	61,450	120,406
Other payables	Note1	Changzhou Jingrui Real Estate Development Co., Ltd.	60,761	60,929
Other payables	Note1	Dalian Wancheng Zhiguang Real Estate Co., Ltd.	59,852	59,852
Other payables	Note1	Guangzhou Hongjia Real Estate Development Co., Ltd.	56,108	53,610
Other payables	Note1	CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	52,465	29,215
Other payables	Note1	China Railway Construction Group Jinhua Urban Development Co., Ltd.	51,002	23
Other payables	Note1	Shanghai Hongjun Real Estate Development Co., Ltd.	51,000	199,920
Other payables		Others	2,069,991	4,251,365
Total			24,726,859	22,544,465
Long-term loans	Note6	China Railway Construction Corporation	1,951,816	1,836,876
Total			1,951,816	1,836,876
Long-term payables (including current portion)		CRCC Gansu Zhangbian Highway Co., Ltd.	617,146	423,498
Long-term payables (including current portion)		Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	557,060	338,308
Long-term payables (including current portion)		CRCC Financial Leasing Co., Ltd.	350,717	554,732
Long-term payables (including current portion)		Guangde Railway Construction Blue Ocean Hualan Investment Center (Limited Partnership)	253,243	265,911

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

		31 December 2025	31 December 2024
Long-term payables (including current portion)	Yingshouronghe (Shenzhen) Infrastructure Private Equity Investment Fund Partnership (Limited Partnership)	**161,300**	586,121
Long-term payables (including current portion)	CRCC Sichuan Dedu Highway Co., Ltd.	**131,780**	–
Long-term payables (including current portion)	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	**111,533**	–
Long-term payables (including current portion)	CRCC Hunan Expressway Co., Ltd.	**90,954**	–
Long-term payables (including current portion)	China Railway Construction Ningxia Expressway Co., Ltd.	**49,392**	104,275
Long-term payables (including current portion)	Wantong Intercity Railway Co., Ltd.	**35,178**	48,221
Long-term payables (including current portion)	Gansu Tietou Materials Co., Ltd.	**26,903**	19,270
Long-term payables (including current portion)	China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	**25,925**	50,189
Long-term payables (including current portion)	Xuzhou Jiaokong Supply Chain Co., Ltd.	**15,687**	6,050
Long-term payables (including current portion)	Kunshan Transportation Construction Environmental Protection Prefabricated Components Co., Ltd.	**12,767**	18,836
Long-term payables (including current portion)	China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	**8,182**	49,777
Long-term payables (including current portion)	Jinan Rail China Railway Segment Manufacturing Co., Ltd.	**5,981**	5,981
Long-term payables (including current portion)	Guangxi Urban Rail Engineering Construction Co., Ltd.	**4,865**	12,930
Long-term payables (including current portion)	Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	**3,840**	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Long-term payables (including current portion)		Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	–	423,498
Long-term payables (including current portion)		Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	–	198,593
Long-term payables (including current portion)		Guangde CRCC Blue Ocean Longxin Investment Center (Limited Partnership)	–	189,520
Long-term payables (including current portion)		Others	53,319	275,074
Total			2,515,772	3,570,784
Lease liabilities		CRCC Financial Leasing Co., Ltd.	2,794,529	1,933,068
Lease liabilities		CRCC Sichuan Dedu Highway Co., Ltd.	17,456	–
Lease liabilities		Others	53,403	73,588
Total			2,865,388	2,006,656
Deposits accepted/ Other payables	Note5	CRCC JinLi Asset Management Co., Ltd.	725,448	609,490
Deposits accepted/ Other payables	Note5	China Railway Construction Group Co., Ltd.	370,005	289,618
Deposits accepted/ Other payables	Note5	China-Africa Lekkil Investment Co., Ltd.	121,802	141,379
Deposits accepted/ Other payables	Note5	Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	91,558	101,919
Deposits accepted/ Other payables	Note5	Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	69,781	36,033
Deposits accepted/ Other payables/ Other Payables	Note5	Liuzhou Beicheng China Railway Project Management Co., Ltd.	53,534	45,625
Deposits accepted/ Other payables	Note5	Chongqing Daishan Construction and Development Co., Ltd.	50,659	–
Deposits accepted/ Other payables	Note5	China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	42,072	63,557
Deposits accepted/ Other payables	Note5	Baoding Hongmao Real Estate Development Co., Ltd.	30,572	31,707
Deposits accepted/ Other payables	Note5	Liuzhou North City China Railway Beijin Project Management Co., Ltd.	30,304	24,330
Deposits accepted/ Other payables	Note5	Guangzhou ShengDu Investment Development Co., Ltd.	28,780	58,226

Notes to the Financial Statements (continued)

As at 31 December 2025

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

RMB'000

			31 December 2025	31 December 2024
Deposits accepted/ Other payables	Note5	Hangzhou Jiandejiang Investment Co., Ltd.	16,014	145,717
Deposits accepted/ Other payables	Note5	Qinghai Railway Engineering Survey Co., Ltd.	15,395	18,091
Deposits accepted/ Other payables	Note5	CRCC Financial Leasing Co., Ltd.	10,039	5,246
Deposits accepted/ Other payables	Note5	BeiJing Xintiexinjian Investment Co., Ltd.	8,230	429,923
Deposits accepted/ Other payables		Others	207,902	639,845
Total			1,872,095	2,640,706

Note 1: The amounts due from/to related parties were interest-free, unsecured, and had no fixed terms of repayment.

Note 2: The amounts due from related parties were loans for cooperative development projects of the Group's real estate development operation segments, interest bearing of rates agreed in the contracts.

Note 3: The amounts due from the controlling shareholder and associates were borrowings from CRCC Finance Company Limited.

Note 4: The amounts were mainly advances from related parties and were interest-free.

Note 5: The amounts due to the Group's related parties were deposits in CRCC Finance Company Limited.

Note 6: The amounts were appropriations from the Ministry of Finance to the controlling shareholder and considered as the entrusted loans granted to the Group by the controlling shareholder. The interest rate of such entrusted loans was determined by the Loan Prime Rate published by National Interbank Funding Center.

XII. COMMITMENTS AND CONTINGENCIES

1. Commitments

RMB'000

	31 December 2025	31 December 2024
Capital commitments	**2,760,385**	2,587,252
Investment commitments	**40,400,922**	53,621,250
Total	**43,161,307**	56,208,502

2. Contingencies

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

The Group had issued guarantees to banks in respect of the banking facilities granted to the following parties:

RMB'000

	31 December 2025	31 December 2024
Provide guarantees for Associates	**1,432,882**	1,569,794
Provide guarantees for other entities	**66,183**	485,288
Total	**1,499,065**	2,055,082

The above guarantees exclude guarantees in respect of the banking facilities other than mortgages. As at 31 December 2025, the Group's guarantees (excluding guarantees in respect of the banking facilities other than mortgages) amounted to RMB1,499,065,000 (31 December 2024: RMB2,055,082,000), the guarantees in respect of mortgages amounted to RMB21,265,952,000 (31 December 2024: RMB20,588,858,000). As at 31 December 2025 the guarantees rarely defaulted payments to the banks, thus the Group considered the risks related to the guarantees were low and the fair value was immaterial.

The above guarantees in respect of mortgages were granted to the purchasers of the Group's properties and secured by the mortgages.

Notes to the Financial Statements (continued)

As at 31 December 2025

XIII. EVENTS AFTER THE END OF THE REPORTING PERIOD

Pursuant to the resolution approved in the ninth session of the sixth board of directors meeting of the Company held on 30 March 2026, the Board of Directors proposed that cash dividends may be distributed to all shareholders by the Company at RMB3 per 10 shares (i.e. cash dividend of RMB0.3 per share). The cash dividend of RMB4,073,862,000 is proposed to be distributed based on the issued shares of 13,579,541,500, and the above proposal is yet to be approved by the shareholders' general meeting.

XIV. OTHER SIGNIFICANT EVENTS

1. Segment reporting

(1) Operating segments

For management purposes, the Group is organised into the following five operating segments based on their products and services:

(1) The construction operations segment engages in the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;

(2) The plan, design and consultancy operations segment engages in the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;

(3) The manufacturing operations segment engages in the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;

(4) The real estate development operations segment engages in the development, construction and sale of residential properties and commercial properties; and

(5) The other business operations segment mainly comprises trade and logistics, finance and insurance and highway operation service.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss. The Group does not manage income tax based on operating segments and hence income tax has not been allocated to the operating segments.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

(1) Operating segments (Continued)

The transfer pricing between segments shall be determined with reference to the prices used for third-party sales or provision of services.

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
For the year ended 31 December 2025							
Revenue from external customers	896,787,896	16,842,445	19,145,391	66,563,673	30,445,055	–	1,029,784,460
Inter- segment sales	9,893,088	73,882	5,285,401	–	44,185,495	(59,437,866)	–
Share of profits/(losses) of joint ventures and associates	201,051	(7,819)	197,032	(119,202)	(408,416)	–	(137,354)
Impairment of credit losses and impairment losses on assets	(3,659,183)	(152,387)	(138,654)	(4,451,267)	(518,286)	–	(8,919,777)
Depreciation and amortisation	(24,856,590)	(330,467)	(1,452,919)	(280,829)	(926,668)	–	(27,847,473)
Profit before tax	20,983,385	2,726,407	2,544,090	(3,413,206)	3,776,913	315,388	26,932,977
Other disclosures:							
Increase in other non- current assets other than long-term equity investments	32,222,767	136,077	893,542	1,298,904	9,943,431	–	44,494,721
31 December 2025							
Segment assets	1,582,309,800	39,019,762	64,337,265	335,728,837	507,239,610	(444,810,065)	2,083,825,209
Segment liabilities	1,325,915,907	11,511,558	32,764,288	265,305,029	423,385,974	(402,012,402)	1,656,870,354
Other disclosures:							
Long- term equity investments in joint ventures and associates	126,578,825	4,807,733	2,354,936	11,247,268	4,294,518	–	149,283,280

Notes to the Financial Statements (continued)

As at 31 December 2025

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

(1) Operating segments (Continued)

RMB'000

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
For the year ended 31 December 2024							
Revenue from external customers	913,107,758	17,944,661	19,185,073	71,890,431	45,043,414	–	1,067,171,337
Inter- segment sales	18,137,706	79,660	4,209,680	–	41,820,684	(64,247,730)	–
Share of profits/(losses) of joint ventures and associates	33,597	(12,204)	193,944	174,446	(769,937)	–	(380,154)
Impairment of credit losses and impairment losses on assets	(6,327,038)	(106,650)	(10,509)	(2,506,749)	(145,321)	–	(9,096,267)
Depreciation and amortisation	(20,218,788)	(399,225)	(1,019,198)	(243,120)	(1,745,519)	–	(23,625,850)
Profit before tax	22,135,506	3,666,740	2,304,099	1,263,623	2,950,479	154,262	32,474,709
Other disclosures:							
Increase in other non- current assets other than long- term equity investments	31,681,531	619,824	861,056	1,529,241	14,407,931	–	49,099,583
21 December 2024							
Segment assets	1,405,761,006	36,472,462	60,747,733	365,501,730	423,084,312	(428,724,721)	1,862,842,522
Segment liabilities	1,130,330,016	10,204,106	31,708,706	294,367,197	364,826,902	(391,191,227)	1,440,245,700
Other disclosures:							
Long- term equity investments in joint ventures and associates	129,653,439	4,627,624	2,206,379	13,017,145	4,479,813	–	153,984,400

Note 1: Segment assets do not include deferred tax assets of RMB13,628,948,000 (31 December 2024: RMB12,152,500,000) and advance payment of corporate income tax of RMB2,271,864,000 (31 December 2024: RMB2,398,358,000), as the Group does not manage these assets based on operating segments. In addition, inter-segment receivables of RMB460,710,877,000 (31 December 2024: RMB443,275,579,000) are eliminated on consolidation.

Note 2: Segment liabilities do not include deferred tax liabilities of RMB1,632,453,000 (31 December 2024: RMB1,979,263,000) and corporate income tax payable of RMB3,670,441,000 (31 December 2024: RMB3,671,037,000) as the Group does not manage these liabilities based on operating segments. In addition, inter-segment payables of RMB407,315,296,000 (31 December 2024: RMB396,841,527,000) are eliminated on consolidation.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

(2) Other information

Information of product and service

Revenue from external customers

RMB'000

Item	2025	2024
Construction operations	**896,787,896**	913,107,758
Real estate development operations	**66,563,673**	71,890,431
Manufacturing operations	**19,145,391**	19,185,073
Plan, design and consultancy operations	**16,842,445**	17,944,661
Other business operations	**30,445,055**	45,043,414
Total	**1,029,784,460**	1,067,171,337

Geographical information

Revenue from external customers

RMB'000

Item	2025	2024
Mainland China	**953,910,974**	1,001,272,645
Outside Mainland China	**75,873,486**	65,898,692
Total	**1,029,784,460**	1,067,171,337

In the geographical information above, revenue from external customers is based on the locations of the customers.

Notes to the Financial Statements (continued)

As at 31 December 2025

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

(2) Other information (Continued)

Geographical information (Continued)

Total non-current assets

RMB'000

Item	2025	2024
Mainland China	414,838,395	359,626,839
Outside Mainland China	15,025,992	15,840,583
Total	429,864,387	375,467,422

Non-current asset information above is based on the locations of the non-current assets, excluding financial assets and deferred tax assets.

Information about major customers

In 2025, revenue from the major customer was approximately RMB 205,841,085,000, accounting for about 19.99% of total revenue for the year.

The Group's major customer is a wholly state-owned enterprise and its subsidiaries as well as state-controlled companies. Apart from this customer, no other single customer accounted for more than 10% of the Group's total revenue. Due to the Group's relevant qualifications, this major customer is one of the clients to whom the Group provides large-scale project construction services, design consulting services, and sales of large machinery and equipment and parts. Therefore, management believes that this does not give rise to a risk of dependence on a major customer.

2. Other financial information

(i) Pension scheme contributions

RMB'000

	2025	2024
Pension scheme contributions (defined contribution plans)	8,919,784	9,090,646
Pension scheme costs (defined benefit plans)	3,842	5,766

As at 31 December 2025, there were no forfeited contributions available to reduce the Group's contributions to its pension schemes in the next year (31 December 2024: Nil).

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' remuneration

RMB'000

	2025	2024
Salary, housing benefits, other allowances, and in-kind benefits	656	1,035
Performance bonuses	884	1,389
Defined contribution plans	143	341
Total	1,683	2,765

The names and fees of the independent non-executive directors for the year are as follows:

RMB'000

	2025	2024
Independent non-executive directors		
Mr. Ma Chuanjing	80	80
Mr. Zhao Lixin	40	80
Mr. Xie Guoguang	80	80
Mr. Qian Weilun	126	135
Mr. Wang Jun	45	–
Total	371	375

The fees paid to the above independent non-executive directors represent compensation for their services as directors of the Company. No other remuneration was payable to the independent non-executive directors during the year.

Notes to the Financial Statements (continued)

As at 31 December 2025

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' remuneration (Continued)

The names and remuneration of the directors and for the year are as follows:

RMB'000

	Salaries, housing benefits, other allowances, and in-kind benefits	Performance bonuses	Defined contribution plans	Total compensation
2025				
Chairman/Executive directors				
Mr. Dai Heigen	345	824	143	1,312
Subtotal	345	824	143	1,312
Non-executive directors				
Mr. Gao Lieyang *(Note 1)*	–	–	–	–
Subtotal	–	–	–	–
Independent non-executive directors				
Mr. Ma Chuanjing	60	20	–	80
Mr. Zhao Lixin(Note 2)	20	20	–	40
Mr. Xie Guoguang	60	20	–	80
Mr. Qian Weilun	126	–	–	126
Mr. Wang Jun (Note 3)	45	–	–	45
Subtotal	311	60	–	371
Employee director				
Ms. Zhu Lin (Note 4)	–	–	–	–
Subtotal	–	–	–	–
Total	656	884	143	1,683

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' remuneration (Continued)

The names and remuneration of the directors for the year are as follows: (Continued)

RMB'000

	Salaries, housing welfare and other allowances and in-kind physical benefits	Performance Bonus	Defined benefit plan	Total remuneration
2024				
Chairman/Executive directors				
Mr. Dai Heigen	340	364	155	859
Subtotal	340	364	155	859
Executive directors				
Mr. Wang Lixin	228	536	104	868
Mr. Ni Zhen	152	429	82	663
Subtotal	380	965	186	1,531
Non-executive directors				
Mr. Gao Lieyang	–	–	–	–
Subtotal	–	–	–	–
Independent non-executive				
Mr. Ma Chuanjing	60	20	–	80
Mr. Zhao Lixin	60	20	–	80
Mr. Xie Guoguang	60	20	–	80
Mr. Qian Weilun	135	–	–	135
Subtotal	315	60	–	375
Total	1,035	1,389	341	2,765

Notes to the Financial Statements (continued)

As at 31 December 2025

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' remuneration (Continued)

The names and remuneration of the directors for the year are as follows: (Continued)

Note 1: Mr. Gao Lieyang, a non-executive director, serves as a full-time external director appointed by the State-owned Assets Supervision and Administration Commission of the State Council and does not receive any remuneration from the Company.

Note 2: On 29 April 2025, Mr. Zhao Lixin has resigned from his position as an independent non-executive director of the Company due to a change in work assignment.

Note 3: On 29 April 2025, the Company held its first extraordinary general meeting of 2025, which approved the appointment of Mr. Wang Jun as an independent non-executive director.

Note 4: On 17 March 2025, Company's employee representative meeting elected Ms. Zhu Lin as a staff director for the fifth and sixth terms of office.

Note 5: Due to differences in salary statistics and personnel reporting criteria, the information in the above table differs from that disclosed on the official website of China Railway Construction Corporation Limited regarding the remuneration of enterprise leaders. Please note accordingly.

Note 6: Some personnel's performance bonuses include compensation for prior years, such as deferred salaries and term incentive income, which were paid out in 2025.

Top Five Highest-Paid Employees

The five highest-paid employees for the current year are all non-directors. The compensation details of the highest-paid employee are as follows:

RMB'000

	2025	2024
Salaries, housing benefits, other allowances, and in-kind benefits	2,515	1,740
Performance bonuses	13,457	14,929
Defined contribution plans	634	452
Total	16,606	17,121

Note: Some employees' performance bonuses include compensation for prior years, such as deferred salaries and term incentive income, which were paid out in 2025.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(ii) Directors' remuneration (Continued)

Top Five Highest-Paid Employees (Continued)

Number of employees who are non-directors with compensation within the following ranges:

	2025	2024
HK2,500,000toHK3,000,000 (inclusive of HK$3,000,000)		
HK3,000,000toHK3,500,000 (inclusive of HK$3,500,000)	3	2
HK3,500,000toHK4,000,000 (inclusive of HK$4,000,000)		1
HK$4,000,000 to HK$4,500,000 (inclusive of HK$4,500,000)	2	2
HK$4,500,000 to HK$5,000,000 (inclusive of HK$5,000,000)		
Above HK$5,000,000		
Total	5	5

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Trade receivables

(1) An aging analysis of trade receivables is listed as follows:

RMB'000

	31 December 2025	31 December 2024
Within 1 year	3,283,689	2,659,327
1 to 2 years	114,387	245,733
2 to 3 years	97,683	–
Over 3 years	3,045	3,045
Subtotal	3,498,804	2,908,105
Less: Allowance for credit losses	45,747	36,010
Total	3,453,057	2,872,095

Notes to the Financial Statements (continued)

As at 31 December 2025

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows:

RMB'000

	31 December 2025				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage %	Amount	Percentage %	
Allowance for credit losses assessed by credit risk portfolio	3,498,804	100.00	45,747	1.31	3,453,057
Total	3,498,804	100.00	45,747	1.31	3,453,057

RMB'000

	31 December 2024				
	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage %	Amount	Percentage %	
Allowance for credit losses assessed by credit risk portfolio	2,908,105	100.00	36,010	1.24	2,872,095
Total	2,908,105	100.00	36,010	1.24	2,872,095

As at 31 December 2025, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

RMB'000

	Gross carrying amount	Allowance for credit losses	Percentage of Allowance for credit losses (%)
Within 1 year	3,283,689	28,466	0.87
1 to 2 years	114,387	5,716	5.00
2 to 3 years	97,683	9,738	9.97
Over 3 years	3,045	1,827	60.00
Total	3,498,804	45,747	1.31

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Trade receivables (Continued)

(3) As at 31 December 2025, top five entities with the largest balances of trade receivables and contract assets are listed as follows:

RMB'000

	Closing balance of trade receivables	Closing balance of contract assets	Closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets *(%)*	Closing balance of allowance for credit losses
Company 1	972,571	284,122	1,256,693	18.07	12,567
Company 2	397,979	538,171	936,150	13.46	20,133
Company 3	387,505	290,905	678,410	9.76	6,784
Company 4	387,081	65,468	452,549	6.51	2,339
Company 5	321,449	31,141	352,590	5.07	1,763
Total	2,466,585	1,209,807	3,676,392	52.87	43,586

2. Other receivables

(1) An aging analysis of other receivables is listed as follows:

RMB'000

	31 December 2025	31 December 2024
Within 1 year	28,002,185	15,249,793
1 to 2 years	24	7,080,384
2 to 3 years	18,713	418,080
Over 3 years	867,108	876,896
Subtotal	28,888,030	23,625,153
Less: Allowance for credit losses	1,326	1,430
Total	28,886,704	23,623,723

Notes to the Financial Statements (continued)

As at 31 December 2025

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

(2) Other receivables from the five largest customers are listed as follows:

RMB'000

	Amount	Percentage of total other receivables *(%)*	Nature	Aging	Closing balance of allowance for credit losses
China Railway Construction Real Estate Group Co., Ltd.	11,000,000	38.08	Accounts receivable from related parties	Within one year	–
CRCC Kunlun Investment Group Co., Ltd.	2,408,049	8.34	Accounts receivable from related parties	Within one year, 2 to 3 years	–
China Railway Construction Investment Group Co., Ltd	2,100,118	7.27	Accounts receivable from related parties	Within one year, 1 to 2 years, 3 years or more	–
China Railway 20th Bureau Group Co., Ltd.	1,016,088	3.52	Accounts receivable from related parties	Within one year, 3 years or more	–
China Railway 17th Bureau Group Co., Ltd.	609,263	2.11	Accounts receivable from related parties	Within one year, 3 years or more	–
Total	17,133,518	59.32			–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

(1) Long-term Equity Investments Status

RMB'000

	Carrying amount at 31 December 2024	Changes for the year		Carrying Amount at 31 December 2025	Impairment allowance
		Transfer in/ Increase in investment	Decrease in investment		
China Railway 11th Bureau Group Co., Ltd.	1,893,912	2,800,000	–	4,693,912	–
China Railway 12th Bureau Group Co., Ltd.	1,957,277	–	–	1,957,277	–
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	2,660,480	500,000	–	3,160,480	–
China Railway 14th Bureau Group Co., Ltd.	2,130,105	–	–	2,130,105	–
China Railway 15th Bureau Group Co., Ltd.	1,585,152	1,444,590	–	3,029,742	–
China Railway 16th Bureau Group Co., Ltd.	3,266,112	1,030,000	–	4,296,112	–
China Railway 17th Bureau Group Co., Ltd.	1,735,340	500,000	–	2,235,340	–
China Railway 18th Bureau Group Co., Ltd.	1,103,234	–	–	1,103,234	–
China Railway 19th Bureau Group Co., Ltd.	3,954,638	506,000	–	4,460,638	–
China Railway 20th Bureau Group Co., Ltd.	1,615,144	–	–	1,615,144	–
China Railway 21st Bureau Group Co., Ltd.	1,557,251	500,000	–	2,057,251	–
China Railway 22nd Bureau Group Co., Ltd.	1,295,286	–	–	1,295,286	–
China Railway 23rd Bureau Group Co., Ltd.	1,545,004	815,000	–	2,360,004	–
China Railway 24th Bureau Group Co., Ltd.	1,346,917	443,000	–	1,789,917	–
China Railway 25th Bureau Group Co., Ltd.	1,348,597	734,150	–	2,082,747	–
China Railway Construction Group Co., Ltd.	2,868,346	2,700,000	–	5,568,346	–
China Railway Construction Real Estate Group Co., Ltd.	7,242,745	4,129	–	7,246,874	–
China Railway Siyuan Survey and Design Group Co., Ltd.	1,747,809	–	–	1,747,809	–
China Railway Fifth Survey and Design Institute Group Co., Ltd.	338,196	–	–	338,196	–
China Railway Shanghai Design Institute Group Co., Ltd.	267,624	–	–	267,624	–
China Railway Materials Group Co., Ltd.	3,474,037	–	–	3,474,037	–
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd.	1,385,891	1,050,000	–	2,435,891	–
CRCC Finance Company Limited	8,460,000	–	–	8,460,000	–
China Railway Construction Corporation (International) Limited	3,012,602	–	–	3,012,602	–
China Railway Urban Construction Group Co., Ltd.	2,000,000	–	–	2,000,000	–
CRCC Kunlun Investment Group Co., Ltd.	3,600,000	3,000,000	–	6,600,000	–
Beijing CRCC Tianrui Machinery Equipment Co., Ltd.	2,000,000	–	–	2,000,000	–
China Civil Engineering Construction Corporation	2,946,507	–	–	2,946,507	–
China Railway Construction Electrification Bureau Group Co., Ltd.	1,105,530	–	–	1,105,530	–
China Railway Construction Heavy Industry Corporation Limited	4,028,004	–	–	4,028,004	–

Notes to the Financial Statements (continued)

As at 31 December 2025

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) Long-term Equity Investments Status (Continued)

RMB'000

	Carrying amount at 31 December 2024	Changes for the year		Carrying Amount at 31 December 2025	Impairment allowance
		Transfer in/ Increase in investment	Decrease in investment		
China Railway Construction High-tech Equipment Co., Ltd.	1,714,797	–	–	1,714,797	–
China Railway Construction Business Management Co., Ltd.	15,621	–	4,129	11,492	–
China Railway Construction Investment Group Co., Ltd.	10,538,793	3,200,000	–	13,738,793	–
China Railway Construction South China Construction Co., Ltd.	1,000,000	–	–	1,000,000	–
Railway Construction Northwest Investment & Construction Co., Ltd.	1,000,000	–	1,000,000	–	–
China Railway Construction City Construction Investment Co., Ltd.	2,000,000	–	–	2,000,000	–
China Railway Construction Eastern China Investment & Construction Co., Ltd.	2,000,000	–	–	2,000,000	–
CRCC International Investment Co., Ltd.	3,000,000	–	–	3,000,000	–
China Railway Construction Development Group Co., Ltd.	1,498,690	1,000,000	–	2,498,690	–
CRCC North Investment & Construction Co., Ltd.	200,000	–	–	200,000	–
CRCC Yellow River Investment & Construction Co., Ltd.	1,110,000	–	–	1,110,000	–
China Railway First Survey and Design Institute Group Co., Ltd.	693,730	–	–	693,730	–
China Railway Construction Capital Holdings Group Co., Ltd.	3,549,871	30,000	–	3,579,871	–
China Railway Construction Treasury Management (Hong Kong) Co., Ltd	4,184	–	–	4,184	–
CRCC South China Investment Co., Ltd.	435,442	154,868	–	590,310	–
China Railway Construction Southwest Investment Co., Ltd.	100,000	–	–	100,000	–
CRCC Southern Construction and Investment Co., Ltd.	1,000,000	–	–	1,000,000	–
China Railway Construction Xiong' an Investment Development Co., Ltd.	1,000,000	–	–	1,000,000	–
China Railway Construction Transportation Operation Group Co., Ltd.	1,000,000	–	–	1,000,000	–
China Railway Construction Technology Innovation (Shenzhen) Co., Ltd.	–	200,000	–	200,000	–
Total	105,332,868	20,611,737	1,004,129	124,940,476	–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Revenue and cost of sales

(1) Revenue and Costs are presented as follows:

RMB'000

	2025		2024	
	Revenue	Cost	Revenue	Cost
Principal operations	6,762,837	6,622,315	8,639,299	8,439,019
Other operations	448,281	–	773,815	–
Total	7,211,118	6,622,315	9,413,114	8,439,019

5. Investment income

RMB'000

	2025	2024
Investment income received from long-term equity investments under cost method	10,182,152	11,774,481
Others	18,713	15,559
Total	10,200,865	11,790,040

AUDITOR'S REPORT

Ernst & Young Hua Ming [2026] Zhuan Zi No. 70629682_A07
China Railway Construction Corporation Limited

To all shareholders of China Railway Construction Corporation Limited:

We have reviewed the accompanying interim financial statements of China Railway Construction Corporation Limited, which comprised the consolidated and the Company's statements of financial position as at 30 June 2026, the consolidated and the Company's statements of profit or loss, the consolidated and the Company's statements of changes in equity and the consolidated and the Company's statements of cash flows for the six months period then ended, and notes to the financial statements (hereinafter collectively referred to as the "Interim Financial Statements"). The preparation of the Interim Financial Statements is the responsibility of the management of China Railway Construction Corporation Limited. Our responsibility is to deliver a report on review of these Interim Financial Statements based on our review.

We conducted our review in accordance with China Certified Public Accountant Review Standard No. 2101 – Review of Financial Statements. This Standard requires us to plan and perform the review to obtain limited assurance about whether the Interim Financial Statements are free from material misstatements. A review is limited primarily to procedures as enquiry of entity's personnel and analytical review procedures applied to the financial information and thus provides less assurance than an audit. We have not performed an audit, and therefore we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the Interim Financial Statements of China Railway Construction Corporation Limited are not prepared, in all material respects, in accordance with the requirements of Accounting Standards for Business Enterprises, and fail to present fairly, in all material respects, the consolidated and the Company's financial position as at 30 June 2026, and the consolidated and the Company's financial performance and cash flows the six months period then ended.

Ernst & Young Hua Ming LLP *Chinese Certified Public Accountant:* **Shujuan Yang (Engaging Partner)**
Beijing, the People's Republic of China

Chinese Certified Public Accountant: **Baiyi Chen**

28 August 2026

Consolidated Statement of Financial Position

As at 30 June 2026

RMB'000

ASSETS	*Note V*	30 June 2026 (unaudited)	31 December 2025
Current assets			
Cash and bank balances	1	**168,252,299**	191,922,113
Held-for-trading financial assets	2	**1,190,551**	1,006,287
Bills receivable	3	**2,111,297**	2,829,089
Trade receivables	4	**266,813,336**	241,023,952
Receivables at fair value through other comprehensive income	5	**1,013,545**	1,129,124
Advances to suppliers	6	**27,148,966**	24,114,586
Other receivables	7	**77,769,586**	69,962,041
Inventories	8	**267,335,568**	265,926,559
Contract assets	9	**409,358,436**	374,351,764
Current portion of non-current assets	10	**33,195,910**	35,879,799
Other current assets	11	**34,955,912**	36,536,468
Total current assets		**1,289,145,406**	1,244,681,782
Non-current assets			
Loans and advances to customers	12	**1,222,966**	1,404,711
Debt investments	13	**3,202,548**	3,245,926
Other debt investments	14	**5,114,832**	3,580,132
Long-term receivables	15	**169,446,117**	163,638,942
Long-term equity investments	16	**150,926,728**	149,283,280
Other equity instrument investments	17	**14,721,163**	14,084,269
Other non-current financial assets	18	**12,450,585**	12,829,724
Investment properties	19	**16,913,753**	16,643,139
Fixed assets	20	**70,869,818**	72,919,328
Construction in progress	21	**10,871,012**	9,027,327
Right-of-use assets	22	**9,973,254**	10,593,356
Intangible assets	23	**181,966,467**	170,227,982
Development expenditure		**47,523**	45,902
Goodwill	24	**49,762**	49,762
Long-term prepayments		**1,141,091**	1,124,073
Deferred tax assets	25	**14,114,148**	13,628,948
Other non-current assets	26	**214,611,588**	196,816,626
Total non-current assets		**877,643,355**	839,143,427
TOTAL ASSETS		**2,166,788,761**	2,083,825,209

The accompanying notes form part of the financial statements.

Consolidated Statement of Financial Position (continued)

As at 30 June 2026

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	30 June 2026 (unaudited)	31 December 2025
Current liabilities			
Short-term loans	28	**223,833,277**	168,869,472
Due to customers	29	**1,705,376**	1,872,095
Bills payable	30	**28,960,987**	37,124,169
Trade payables	31	**574,570,431**	591,387,684
Advances from customers		**538,430**	479,084
Contract liabilities	32	**125,818,171**	121,005,490
Employee benefits payable	33	**14,552,379**	17,166,652
Taxes payable	34	**5,972,485**	8,131,350
Other payables	35	**135,498,976**	124,655,919
Current portion of non-current liabilities	36	**89,024,117**	87,742,018
Other current liabilities	37	**44,372,004**	52,932,036
Total current liabilities		**1,244,846,633**	1,211,365,969
Non-current liabilities			
Long-term loans	38	**379,632,737**	335,750,413
Bonds payable	39	**35,819,063**	39,335,327
Lease liabilities	40	**5,887,948**	6,121,161
Long-term payables	41	**53,719,539**	58,165,756
Long-term employee benefits payable		**45,178**	46,746
Provisions		**2,421,591**	2,324,495
Deferred income		**1,187,418**	1,208,861
Deferred tax liabilities	25	**1,764,166**	1,632,453
Other non-current liabilities		**588,369**	919,173
Total non-current liabilities		**481,066,009**	445,504,385
Total liabilities		**1,725,912,642**	1,656,870,354

The accompanying notes form part of the financial statements.

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note V*	30 June 2026 (unaudited)	31 December 2025
Shareholders' equity			
Share capital	42	**13,579,542**	13,579,542
Other equity instruments	43	**72,322,256**	66,120,975
Capital reserve	44	**46,022,626**	46,116,801
Other comprehensive income	45	**(1,515,055)**	(1,308,742)
Special reserve	46	**–**	–
Surplus reserve	47	**6,789,771**	6,789,771
Retained earnings	48	**212,757,891**	208,988,093
Total equity attributable to owners of the Company		**349,957,031**	340,286,440
Non-controlling interests		**90,919,088**	86,668,415
Total shareholders' equity		**440,876,119**	426,954,855
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,166,788,761**	2,083,825,209

The financial statements have been signed by:

Chairman	*Chief Financial Officer*	*Head of the Finance Department*
Dai, Hegen	**Zhu, Hongbiao**	**Ding, Yajie**

The accompanying notes form part of the financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

RMB'000

	Note V	For the six months ended 30 June 2026 (unaudited)	For the six months ended 30 June 2025 (unaudited)
Revenue	49	**428,437,974**	489,199,045
Less: Cost of sales	49	**388,771,945**	445,937,731
Taxes and surcharges	50	**1,477,214**	1,473,526
Selling and distribution expenses	51	**2,270,273**	2,712,168
General and administrative expenses	52	**7,878,318**	9,239,703
Research and development expenses	53	**6,172,996**	7,516,476
Finance costs	54	**6,499,488**	4,265,445
Including: Interest expenses	54	**6,552,914**	5,795,407
Interest income	54	**2,144,021**	1,826,595
Add: Other income		**318,160**	326,480
Investment income/(loss)	55	**581,684**	(711,457)
Including: Share of investment income/(loss) from associates and joint ventures		**851,591**	(532,139)
Losses from derecognition of financial assets measured at amortised cost		**(1,097,724)**	(738,859)
Losses on fair value changes		**(475,349)**	(193,134)
Impairment of credit losses	56	**(1,193,415)**	(1,649,073)
Impairment losses on assets	57	**(2,620,785)**	(756,672)
Gains on disposal of assets		**111,829**	49,040
Operating profit		**12,089,864**	15,119,180
Add: Non-operating income	58	**371,809**	602,415
Less: Non-operating expenses	59	**359,274**	368,141
Profit before tax		**12,102,399**	15,353,454
Less: Income tax expenses	61	**2,581,913**	2,791,503
Net profit		**9,520,486**	12,561,951
Classified by the continuity of operation			
Net profit from continuing operations		**9,520,486**	12,561,951
Classified by the ownership			
Net profit attributable to owners of the Company		**8,689,842**	10,701,474
Net profit attributable to non-controlling interests		**830,644**	1,860,477

The accompanying notes form part of the financial statements.

RMB'000

	Note V	**For the six months ended 30 June 2026 (unaudited)**	For the six months ended 30 June 2025 (unaudited)
Other comprehensive income, net of tax	45	**168,283**	(373,795)
Other comprehensive income attributable to owners of the Company, net of tax		**128,040**	(351,266)
Other comprehensive income not to be reclassified to profit or loss		**145,855**	(80,448)
Changes in fair value of other equity instrument investments		**145,855**	(80,448)
Other comprehensive income to be reclassified to profit or loss		**(17,815)**	(270,818)
Shares of other comprehensive income that will be reclassified subsequently into profit or loss by the investee under equity method		**(16,003)**	(86,353)
Changes in fair value of receivables at fair value through other comprehensive income		**667**	1,167
Changes in fair value of other debt investments		**73,591**	(894)
Exchange differences on translation of foreign operations		**(76,070)**	(184,738)
Other comprehensive income attributable to non-controlling interests, net of tax	45	**40,243**	(22,529)
Total comprehensive income		**9,688,769**	12,188,156
Including:			
Total comprehensive income attributable to owners of the Company		**8,817,882**	10,350,208
Total comprehensive income attributable to non-controlling interests		**870,887**	1,837,948
Earnings per share:			
Basic earnings per share	62	**0.55**	0.70
Diluted earnings per share	62	**0.55**	0.70

The accompanying notes form part of the financial statements.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

RMB'000

	For the six months ended 30 June 2026 (unaudited)									
	Equity attributable to owners of the Company									
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I. As at 31 December 2025	13,579,542	66,120,975	46,116,801	(1,308,742)	–	6,789,771	208,988,093	340,286,440	86,668,415	426,954,855
II. Increase/(decrease) during the year	–	6,201,281	(94,175)	(206,313)	–	–	3,769,798	9,670,591	4,250,673	13,921,264
(I) Total comprehensive income	–	–	–	128,040	–	–	8,689,842	8,817,882	870,887	9,688,769
(II) Capital contributions and withdrawals by shareholders	–	6,201,281	(89,921)	–	–	–	–	6,111,360	4,671,971	10,783,331
1. Capital contributions and withdrawals by Shareholders	–	–	–	–	–	–	–	–	5,150,564	5,150,564
2. Capital contributions and withdrawals by other equity instrument holders *(Note V.43)*	–	6,201,281	(5,656)	–	–	–	–	6,195,625	–	6,195,625
3. Equity transactions with non-controlling interests	–	–	(84,265)	–	–	–	–	(84,265)	(478,593)	(562,858)
(III) Profit distribution	–	–	–	–	–	–	(5,254,397)	(5,254,397)	(1,292,185)	(6,546,582)
1. Distribution to shareholders *(Note V.48)*	–	–	–	–	–	–	(5,254,397)	(5,254,397)	(1,292,185)	(6,546,582)
(IV) Special reserve *(Note V.46)*	–	–	–	–	–	–	–	–	–	–
1. Appropriated in current period	–	–	–	–	8,023,087	–	–	8,023,087	–	8,023,087
2. Used in current period	–	–	–	–	(8,023,087)	–	–	(8,023,087)	–	(8,023,087)
(V) Transfer within equity *(Note V.45)*	–	–	–	(334,353)	–	–	334,353	–	–	–
1. Other comprehensive income transferring to retained earnings	–	–	–	(334,353)	–	–	334,353	–	–	–
(VI) Others	–	–	(4,254)	–	–	–	–	(4,254)	–	(4,254)
1. Others	–	–	(4,254)	–	–	–	–	(4,254)	–	(4,254)
III. As at 30 June 2026	13,579,542	72,322,256	46,022,626	(1,515,055)	–	6,789,771	212,757,891	349,957,031	90,919,088	440,876,119

The accompanying notes form part of the financial statements.

RMB'000

ITEM	For the six months ended 30 June 2025 (unaudited)									
	Equity attributable to owners of the Company									
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Subtotal	Non-controlling interests	Total shareholders' equity
I. As at 31 December 2024	13,579,542	64,167,509	47,964,063	(1,305,778)	–	6,789,771	197,055,973	328,251,080	94,345,742	422,596,822
II. Increase/(decrease) during the year	–	7,794,852	(1,304)	(351,266)	–	–	5,446,616	12,888,898	(4,896,658)	7,992,240
(I) Total comprehensive income	–	–	–	(351,266)	–	–	10,701,474	10,350,208	1,837,948	12,188,156
(II) Capital contributions and withdrawals by shareholders	–	7,794,852	(1,304)	–	–	–	–	7,793,548	(4,832,152)	2,961,396
1. Capital contributions and withdrawals by Shareholders	–	–	–	–	–	–	–	–	(4,832,152)	(4,832,152)
2. Capital contributions and withdrawals by other equity instrument holders *(Note V.43)*	–	7,794,852	(1,304)	–	–	–	–	7,793,548	–	7,793,548
(III) Profit distribution	–	–	–	–	–	–	(5,254,858)	(5,254,858)	(1,902,454)	(7,157,312)
1. Distribution to shareholders *(Note V.48)*	–	–	–	–	–	–	(5,254,858)	(5,254,858)	(1,902,454)	(7,157,312)
(IV) Special reserve *(Note V.46)*	–	–	–	–	–	–	–	–	–	–
1. Appropriated in current period	–	–	–	–	8,411,377	–	–	8,411,377	–	8,411,377
2. Used in current period	–	–	–	–	(8,411,377)	–	–	(8,411,377)	–	(8,411,377)
III. As at 30 June 2025	13,579,542	71,962,361	47,962,759	(1,657,044)	–	6,789,771	202,502,589	341,139,978	89,449,084	430,589,062

The accompanying notes form part of the financial statements.

Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

RMB'000

		Note V	**For the six months ended 30 June 2026 (unaudited)**	For the six months ended 30 June 2025 (unaudited)
1.	**Cash Flows from Operating Activities:**			
	Cash received from the sale of goods or rendering of services		**409,731,284**	478,085,920
	Refund of tax		**315,100**	768,347
	Net decrease in amounts due to customers and amounts due to banks		**(166,719)**	(793,600)
	Cash received from other operating activities	63	**21,770,839**	12,606,614
	Subtotal of cash inflows from operating activities		**431,650,504**	490,667,281
	Cash paid for goods and services		**438,859,647**	503,390,323
	Net (decrease)/increase in loans and advances to customers		**(185,641)**	585,723
	Net decrease in balances with the central bank		**(340,273)**	(120,826)
	Cash paid to and on behalf of employees		**37,751,279**	39,490,957
	Payments of various types of taxes		**10,240,107**	14,788,206
	Cash paid for other operating activities	63	**24,181,817**	11,990,156
	Subtotal of cash outflows from operating activities		**510,506,936**	570,124,539
	Net cash flows used in operating activities	64	**(78,856,432)**	(79,457,258)
2.	**Cash Flows from Investing Activities:**			
	Cash received from disposal of investments		**5,238,043**	2,156,294
	Cash received from investment income		**1,697,872**	1,796,475
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**1,004,014**	1,099,487
	Cash received from other investing activities		**612,565**	245,033
	Subtotal of cash inflows from investing activities		**8,552,494**	5,297,289
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets		**24,720,705**	20,460,602
	Cash paid for acquisition of investments		**7,543,222**	9,508,017
	Net cash paid for acquisition of subsidiaries and other business units		**580,425**	565,494
	Cash paid for other investing activities		**1,237,864**	751,090
	Subtotal of cash outflows from investing activities		**34,082,216**	31,285,203
	Net cash flows used in investing activities		**(25,529,722)**	(25,987,914)

The accompanying notes form part of the financial statements.

RMB'000

		Note V	**For the six months ended 30 June 2026 (unaudited)**	For the six months ended 30 June 2025 (unaudited)
3.	**Cash Flows from Financing Activities:**			
	Cash received as capital contributions		**14,885,443**	13,612,442
	Including: Cash received from non-controlling interests of subsidiaries		**142,643**	368,018
	Cash received from issuing bonds		**12,640,000**	9,423,284
	Cash received from borrowings		**291,296,040**	289,615,755
	Cash received from other financing activities	63	**–**	896,696
	Subtotal of cash inflows from financing activities		**318,821,483**	313,548,177
	Cash repayments for borrowings		**219,420,228**	188,125,702
	Cash paid for distribution of dividends or profits and for interest expenses		**10,727,958**	10,663,526
	Including: Cash paid to non-controlling interests for distribution of dividends and profits by subsidiaries		**1,155,816**	1,739,660
	Cash paid for other financing activities	63	**6,415,904**	13,278,360
	Subtotal of cash outflows from financing activities		**236,564,090**	212,067,588
	Net cash flows generated from financing activities		**82,257,393**	101,480,589
4.	**EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS**		**(375,345)**	264,465
5.	**NET DECREASE IN CASH AND CASH EQUIVALENTS**		**(22,504,106)**	(3,700,118)
	Add: Cash and cash equivalents at beginning of the period	64	**173,308,252**	167,371,620
6.	**CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**	64	**150,804,146**	163,671,502

The accompanying notes form part of the financial statements.

The Company's Statement of Financial Position

As at 30 June 2026

RMB'000

ASSETS	*Note XV*	30 June 2026 (unaudited)	31 December 2025
Current assets			
Cash and bank balances		**28,140,479**	16,287,333
Held-for-trading financial assets		**110,939**	95,062
Trade receivables	1	**2,552,348**	3,453,057
Advances to suppliers		**472,096**	329,175
Other receivables	2	**19,400,003**	28,886,704
Contract assets		**152,391**	555,892
Current portion of non-current assets		**16,385,000**	11,885,000
Other current assets		**160,510**	156,206
Total current assets		**67,373,766**	61,648,429
Non-current assets			
Long-term receivables		**47,766,759**	46,830,858
Long-term equity investments	3	**128,680,476**	124,940,476
Other equity instrument investments		**353,808**	400,355
Fixed assets		**483,748**	521,068
Construction in progress		**16,889**	11,451
Right-of-use assets		**895**	1,346
Intangible assets		**363,050**	386,149
Long-term prepayments		**1,073**	1,937
Other non-current assets		**2,696,371**	2,875,669
Total non-current assets		**180,363,069**	175,969,309
TOTAL ASSETS		**247,736,835**	237,617,738

The accompanying notes form part of the financial statements.

RMB'000

LIABILITIES AND SHAREHOLDERS' EQUITY	*Note XV*	30 June 2026 (unaudited)	31 December 2025
Current liabilities			
Short-term loans		**3,000,000**	1,000,000
Trade payables		**7,106,005**	8,157,478
Contract liabilities		**733,101**	271,319
Employee benefits payable		**145,166**	133,808
Taxes payable		**6,725**	12,850
Other payables		**10,335,285**	8,006,363
Current portion of non-current liabilities		**2,139,046**	1,652,348
Other current liabilities		**540,460**	6,560,549
Total current liabilities		**24,005,788**	25,794,715
Non-current liabilities			
Long-term loans		**4,354,942**	4,364,342
Bonds payable		**8,994,084**	5,995,529
Lease liabilities		**300**	363
Long-term payables		**11,192,293**	11,250,964
Long-term employee benefits payable		**1,994**	2,037
Deferred tax liabilities		**41,114**	50,578
Total non-current liabilities		**24,584,727**	21,663,813
Total liabilities		**48,590,515**	47,458,528
Shareholders' equity			
Share capital		**13,579,542**	13,579,542
Other equity instruments		**72,322,256**	66,120,975
Capital reserve		**46,827,457**	46,833,113
Other comprehensive income		**99,362**	134,273
Surplus reserve		**6,789,771**	6,789,771
Retained earnings		**59,527,932**	56,701,536
Total shareholders' equity		**199,146,320**	190,159,210
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**247,736,835**	237,617,738

The accompanying notes form part of the financial statements.

The Company's Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

RMB'000

	Note XV	For the six months ended 30 June 2026 (unaudited)	For the six months ended 30 June 2025 (unaudited)
Revenue	4	**1,761,662**	3,268,412
Less: Cost of sales	4	**1,642,107**	3,189,778
Refund of tax		**1,624**	2,379
Selling and distribution expenses		**23,272**	17,766
General and administrative expenses		**371,563**	312,945
Research and development expenses		**17**	72
Finance costs		**(778,065)**	(1,016,701)
Including: Interest expenses		**287,919**	267,611
Interest income		**1,083,526**	1,336,303
Add: Other income		**1,699**	2,083
Investment income	5	**7,554,679**	7,814,951
Gains on fair value changes		**15,877**	147
Impairment of credit losses		**18,789**	(7,077)
Impairment losses on assets		**2,961**	(11,758)
Gains on disposal of assets		**–**	109
Operating profit		**8,095,149**	8,560,628
Add: Non-operating income		**–**	172
Less: Non-operating expenses		**9,851**	1,411
Profit before tax		**8,085,298**	8,559,389
Less: Income tax expenses		**4,505**	(5,540)
Net profit		**8,080,793**	8,564,929
Including: Net profit from continuing operations		**8,080,793**	8,564,929
Other comprehensive income, net of tax		**(34,911)**	(2,752)
Other comprehensive income not to be reclassified to profit or loss			
Changes in fair value of other equity instrument investments		**(34,911)**	(2,752)
Total comprehensive income		**8,045,882**	8,562,177

The accompanying notes form part of the financial statements.

The Company's Statement of Changes in Equity

For the six months ended 30 June 2026

RMB'000

	For the six months ended 30 June 2026 (unaudited)							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2025	13,579,542	66,120,975	46,833,113	134,273	-	6,789,771	56,701,536	190,159,210
II. Increase/(decrease) during the period	-	6,201,281	(5,656)	(34,911)	-	-	2,826,396	8,987,110
(I) Total comprehensive income	-	-	-	(34,911)	-	-	8,080,793	8,045,882
(II) Capital contributions and withdrawals by shareholders	-	6,201,281	(5,656)	-	-	-	-	6,195,625
1. Capital contributions by other equity instrument holders	-	6,201,281	(5,656)	-	-	-	-	6,195,625
(III) Profit distribution	-	-	-	-	-	-	(5,254,397)	(5,254,397)
1. Distribution to shareholders	-	-	-	-	-	-	(5,254,397)	(5,254,397)
(IV) Special reserve	-	-	-	-	-	-	-	-
1. Appropriated in current period	-	-	-	-	56,860	-	-	56,860
2. Used in current period	-	-	-	-	(56,860)	-	-	(56,860)
III. As at 30 June 2026	13,579,542	72,322,256	46,827,457	99,362	-	6,789,771	59,527,932	199,146,320

The accompanying notes form part of the financial statements.

The Company's Statement of Changes in Equity (continued)

For the six months ended 30 June 2026

RMB'000

	For the six months ended 30 June 2025 (unaudited)							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
I. As at 31 December 2024	13,579,542	64,167,509	46,843,032	140,547	–	6,789,771	51,364,222	182,884,623
II. Increase/(decrease) during the period	–	7,794,850	(1,304)	(2,752)	–	–	3,310,071	11,100,865
(I) Total comprehensive income	–	–	–	(2,752)	–	–	8,564,929	8,562,177
(II) Capital contributions and withdrawals by shareholders	–	7,794,850	(1,304)	–	–	–	–	7,793,546
1. Capital contributions by other equity instrument holders	–	7,794,850	(1,304)	–	–	–	–	7,793,546
(III) Profit distribution	–	–	–	–	–	–	(5,254,858)	(5,254,858)
1. Distribution to shareholders	–	–	–	–	–	–	(5,254,858)	(5,254,858)
(IV) Special reserve	–	–	–	–	–	–	–	–
1. Appropriated in current period	–	–	–	–	88,977	–	–	88,977
2. Used in current period	–	–	–	–	(88,977)	–	–	(88,977)
III. As at 30 June 2025	13,579,542	71,962,359	46,841,728	137,795	–	6,789,771	54,674,293	193,985,488

The accompanying notes form part of the financial statements.

The Company's Statement of Cash Flows

For the six months ended 30 June 2026

RMB'000

		For the six months ended 30 June 2026 (unaudited)	For the six months ended 30 June 2025 (unaudited)
1.	**Cash Flows from Operating Activities:**		
	Cash received from the sale of goods or rendering of services	**3,646,503**	5,131,645
	Refund of tax	**–**	59
	Cash received from other operating activities	**7,890,405**	9,855,915
	Subtotal of cash inflows from operating activities	**11,536,908**	14,987,619
	Cash paid for goods and services	**3,300,690**	5,664,862
	Cash paid to and on behalf of employees	**178,023**	179,802
	Cash paid for all taxes	**15,114**	12,568
	Cash paid for other operating activities	**7,261,861**	9,903,295
	Subtotal of cash outflows from operating activities	**10,755,688**	15,760,527
	Net cash flows generated from/(used in) operating activities	**781,220**	(772,908)
2.	**Cash Flows from Investing Activities:**		
	Cash received from investment income	**6,928,374**	6,570,646
	Net cash received from disposal of fixed assets, intangible assets and other long–term assets	**187**	–
	Cash received from other investing activities	**2,600**	66,855
	Subtotal of cash inflows from investing activities	**6,931,161**	6,637,501
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**8,590**	47,496
	Cash paid for acquisition of investments	**740,000**	278,600
	Subtotal of cash outflows from investing activities	**748,590**	326,096
	Net cash flows generated from investing activities	**6,182,571**	6,311,405

The accompanying notes form part of the financial statements.

RMB'000

		For the six months ended 30 June 2026 (unaudited)	For the six months ended 30 June 2025 (unaudited)
3.	**Cash Flows from Financing Activities:**		
	Cash received as capital contributions	**8,500,000**	9,997,000
	Cash received from borrowings	**6,500,000**	6,900,000
	Subtotal of cash inflows from financing activities	**15,000,000**	16,897,000
	Cash repayments for borrowings	**7,096,300**	7,105,184
	Cash paid for distribution of dividends or profits and for interest expenses	**873,535**	697,330
	Cash paid for other financing activities	**2,305,325**	2,201,559
	Subtotal of cash outflows from financing activities	**10,275,160**	10,004,073
	Net cash flows generated from financing activities	**4,724,840**	6,892,927
4.	**EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS**	**(13,233)**	(49,200)
5.	**NET INCREASE IN CASH AND CASH EQUIVALENTS**	**11,675,398**	12,382,224
	Add: Cash and cash equivalents at beginning of the period	**16,700,634**	21,980,426
6.	**CASH AND CASH EQUIVALENTS AT END OF THE PERIOD**	**28,376,032**	34,362,650

The accompanying notes form part of the financial statements.

I. CORPORATE INFORMATION

China Railway Construction Corporation Limited (the "Company") is a joint stock limited company with limited liability registered in Beijing in the People's Republic of China (the"PRC") on 5 November 2007. The Company's shares have been listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange. The registered address of the Company's head office is East No. 40 Fuxing Road, Haidian District, Beijing, PRC.

The principal activities of the Company and its subsidiaries (collectively referred to as the"Group") mainly consist of construction operations, plan, design and consultancy operations, trade and logistics, manufacturing operations and real estate development operations.

China Railway Construction Corporation, a company registered in the PRC, is the parent company of the Company and the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC") is the ultimate controlling party of the Company.

These financial statements have been approved and authorised for issue by the board of directors of the Company on 28 August 2026.

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of preparation

These financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises – Basic Standard and specific accounting standards, interpretations, other relevant regulations issued subsequently by the Ministry of Finance (the "MOF") (hereinafter collectively referred to as "ASBEs"). In addition, the financial statements also disclose relevant financial information in accordance with the Rules No. 15 for the Preparation of Information Disclosure by Companies Offering Securities to the Public– General Provisions on Financial Reports.

In accordance with the Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong issued by the Hong Kong Stock Exchange in December 2010, the corresponding amendments to the Hong Kong Listing Rules, as well as the relevant documents issued by the Ministry of Finance and China Securities Regulatory Commission ("CSRC"), the Company ceased to provide financial reports prepared in accordance with Accounting Standards for Business Enterprises and International Financial Reporting Standards separately to A-share shareholders and H-share shareholders from the year of 2011 with the approval from the shareholders' general meeting. Instead, the Company provides all shareholders with financial reports solely prepared in accordance with China Accounting Standards, taking into account the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited in preparing such financial reports.

The Group has adopted accrual basis for accounting measurement. The financial statements have been presented under the historical cost, except for certain financial assets which have been measured at fair value. If the assets are impaired, the corresponding provisions for impairment shall be made according to relevant requirements.

2. Going concern

These financial statements have been prepared on a going concern basis.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

According to the characteristics of its production and operation, the Group applied a series of specific accounting policies and accounting estimates, including measurement of expected credit losses on receivables and contract assets, the measurement of inventories, the provisions for decline in value of inventories, the depreciation methods and the depreciation rates of the fixed assets, the amortisation methods of the intangible assets, the method of long-term assets impairment testing, and the policy for revenue recognition and measurement of revenue etc.

1. Statement of compliance with Accounting Standards for Business Enterprises

These financial statements are in compliance with the ASBEs to truly and completely reflect the Group's and the Company's financial position as at 30 June 2026 and operating results and cash flows for the six months ended 30 June 2026.

2. Accounting period

The accounting year of the Group is from 1 January to 31 December of each calendar year. The reporting period of these financial statements is from 1 January, 2026 to 30 June, 2026.

3. Functional currency

These financial statements are presented in Renminbi ("RMB"), which is the Company's functional currency. Except as otherwise indicated, all amounts are presented in thousands of RMB.

The subsidiaries, joint ventures, and associates within the Group may determine their own functional currencies based on their specific economic environments and use RMB as the presentation currency of their financial statements.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

4. Determination method for materiality criterion and basis for selection

The Group applies the principle of materiality to prepare and present financial statements. An item is material if it is reasonably expected that the omission or misstatement of the item in the financial statements would affect the economic decision made by the user accordingly. When judging the materiality, the Group determined whether the item is material from two aspects, the nature of the item (whether it arises from the Group's normal activities, whether it materially affects the Group's financial position, financial performance and cash flows, etc) and the amount of the item (the proportion of the amount to the Group's key financial indicator, including revenue, cost of sales, net profit, total assets, total liabilities, total shareholders' equity or the proportion to the amount of the specific line item).

5. Business combinations

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

A business combination under the same control is a business combination in which the enterprises participating in the combination are ultimately controlled by the same party or the same parties before and after the combination, and the control is not temporary. The assets and liabilities acquired by the combining party in a business combination under common control (including goodwill arising from the acquisition of the combined party by the ultimate controlling party) shall be accounted for on the basis of the carrying amounts in the financial statements of the ultimate controlling party on the combination date. The difference between the book value of the net assets obtained by the combining party and the book value of the combination consideration paid (or the total face value of the shares issued) shall be adjusted to the share premium in the capital reserve. If it is insufficient to offset, the retained earnings shall be adjusted.

A business combination not involving enterprises under common control is a business combination in which the enterprises participating in the combination are not ultimately controlled by the same party or the same parties before and after the combination. Identifiable assets, liabilities and contingent liabilities of the acquiree acquired in a business combination not involving enterprises under common control are measured at fair value on the acquisition date. The difference between the combination cost and the acquiree's share of the fair value of the acquiree's identifiable net assets acquired in the combination is recognised as goodwill and subsequently measured at cost less accumulated impairment losses. If the combination cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the combination, the measurement of the fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree obtained and the combination cost shall be reviewed. If the combination cost is still less than the fair value share of the identifiable net assets of the acquiree obtained in the combination after the review, the difference shall be included in the current profit and loss.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements

The scope of the consolidated financial statements, which include the financial statements of the Company and all of its subsidiaries, is determined on the basis of control. Subsidiary refers to the entity controlled by the company (including the divisible parts of the enterprises, the invested units, and the structured entities controlled by the company, etc). An investor is able to control the investee if and only if it has power over the investee, has variable returns for participating in the investee's activities, and has the ability to use its power over the investee to influence the amount of its returns.

In the preparation of the consolidated financial statements, where the accounting policies of a subsidiary is different from those of the Company, the Company has adjusted the financial statements of the subsidiary based on the Company's own accounting policies; and where the accounting period of a subsidiary is different from that of the Company, the Company has adjusted the financial statements of the subsidiary based on the Company's own accounting period. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Where the loss for the current period attributable to non-controlling interests of a subsidiary exceeds the non-controlling interests of the opening balance of equity of the subsidiary, the excess shall still be allocated against the non-controlling interests.

For subsidiaries acquired through business combinations not involving entities under common control, the financial performance and cash flows of the acquiree shall be consolidated from the date on which the Group obtains control, and continue to be consolidated until the date such control ceases. While preparing the consolidated financial statements, the Group shall adjust the subsidiary's financial statements, on the basis of the fair values of the identifiable assets, liabilities and contingent liabilities recognised on the acquisition date.

For subsidiaries acquired through business combinations involving entities under common control, the financial performance and cash flows of the entity being absorbed shall be consolidated from the beginning of the period in which the combination occurs. While preparing the comparative financial statements, adjustments are made to related items in the financial statements for the prior period as if the reporting entity after the combination has been in existence since the date the ultimate controlling party first obtained the control.

The Group reassesses whether or not it controls an investee if any changes in facts and circumstances indicate that there are changes to one or more of the three elements of control.

Without loss of control, a change in minority shareholders' interests is treated as an equity transaction.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights related to administrative tasks only. The relevant activities of a structured entity are directed by means of contractual agreements. When the Group acts as an asset manager in a structured entity, the Group is required to determine whether it is exercising decision-making rights as a principal or an agent in the structured entities. If the Group (as an asset manager) is only acting as an agent, it exercises decision-making rights on behalf of the principal (other investors of the structured entities) and does not control the structured entities. If the Group (as an asset manager) is exercising decision-making rights on its own behalf, it is the principal and controls the structured entities.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Joint arrangements and joint operations

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

A joint operator recognises the following items in relation to its interest in a joint operation: its solely-held assets and its share of any assets held jointly; its solely-assumed liabilities and its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; its solely-incurred expenses and its share of any expenses incurred jointly.

8. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term, highly liquid investments held by the Group, that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Foreign currency transactions and foreign currency translations

The Group translates the amounts of foreign currency transactions into its functional currency.

Foreign currency transactions are initially recorded using the functional currency spot exchange rate ruling at the dates of the transactions. Monetary items denominated in foreign currencies are translated into functional currencies at the spot exchange rate ruling at the end of the reporting period, but the capital invested by the investor in the foreign currency is converted at the spot exchange rate on the date of the transaction. All differences are recognised in profit or loss, except those related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation for the purpose of acquisition, construction or production of qualifying assets. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated into functional currencies using the exchange rate used at the time of initial recognition and do not change the amounts of functional currency. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange spot rate at the date the fair value is determined; the exchange differences are recognised in profit or loss or other comprehensive income depending on the nature of the non-monetary items.

For foreign operations, the Group translates functional currencies of overseas financial statements into RMB. All assets and liabilities are translated at the spot exchange rates ruling at the end of the reporting period; the shareholders' equity, with the exception of retained earnings, is translated at the spot exchange rates ruling at the transaction dates; revenue and expense items in the statement of profit or loss are translated using the average exchange rate for the period during which the transactions occur (unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, in that case, such items will be translated using the spot exchange rate at the transaction date), and exchange differences arising from the translations mentioned above are recognised as other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. If the disposal only involves a portion of a particular foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss on a pro-rata basis.

Foreign currency cash flows and cash flows of overseas subsidiaries are translated using the average exchange rate for the period during which the cash flows occur (unless it is not appropriate to use such exchange rate to translate as a result of the exchange rate changes, in that case, such items will be translated at the spot exchange rate prevailing on the date when the cash flows incurred). The effect of changes in exchange rates on cash and cash equivalents are presented as a reconciled item separately in the statement of cash flows.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments

Financial instruments refer to contracts that create a financial asset for one entity and a financial liability or equity instrument for another.

(1) Recognition and derecognition of financial instruments

The Group recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of a financial instrument.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

i. the rights to receive cash flows from the financial asset have expired; or

ii. the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either has transferred substantially all the risks and rewards of the financial asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised using trade date accounting. Regular way purchases or sales are purchases or sales of financial assets under contracts whose terms require delivery within the time frame generally established by regulation or convention in the marketplace concerned. The trade date is the date that the Group committed to purchase or sell a financial asset.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets

The following classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

Financial assets are measured at fair value on initial recognition, but accounts receivable or notes receivable arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to other financial assets are included in the initial recognition amounts.

The subsequent measurement of financial assets depends on their classification as follows:

Debt investments measured at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

The subsequent measurement of financial assets depends on their classification as follows: (Continued)

Debt investments at fair value through other comprehensive income

The Group measures debt investment held at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income is recognised using the effective interest method. The interest income, impairment losses and foreign exchange revaluation are recognised in profit or loss. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Equity investments at fair value through other comprehensive income

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no impairment allowance is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

The subsequent measurement of financial assets depends on their classification as follows: (Continued)

Financial assets at fair value through profit or loss

The financial assets other than the above financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Only when accounting mismatches can be eliminated or significantly reduced can financial assets be designated as financial assets measured at fair value with changes recognised in current profit or loss at the initial measurement.

When a company designates a financial asset as a financial asset measured at fair value with changes recognised in current profit or loss at initial recognition, the financial asset cannot be reclassified to another category. Financial assets in other categories cannot be reclassified as financial assets measured at fair value with changes recognised in current profit or loss after initial recognition.

(3) Classification and measurement of financial liabilities

Except for the financial guarantee contracts issued and the financial liabilities caused by financial assets that do not qualify for derecognition or by continuing involvement in transferred assets, the Group's financial liabilities are, on initial recognition, classified into financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. For financial liabilities at fair value through profit or loss, relevant transaction costs are directly recognised in profit or loss, and transaction costs relating to financial liabilities at amortised cost are included in the initial recognition amounts.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities (Continued)

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss consist of financial liabilities held for trading (including derivative instruments that are financial liabilities) and those designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative instruments that are financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Financial liabilities can only be designated as financial liabilities measured at fair value with changes in fair value recognised in profit or loss at the initial measurement if one of the following conditions is met:

(1) The designation can eliminate or significantly reduce accounting mismatches;

(2) The formal written document for risk management or investment strategy has stated that the financial instrument portfolio is managed, evaluated, and reported to key management personnel based on fair value;

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(3) Classification and measurement of financial liabilities (Continued)

The subsequent measurement of financial liabilities depends on their classification as follows: (Continued)

Financial liabilities at fair value through profit or loss (Continued)

(3) A hybrid instrument contains one or more embedded derivative instruments, unless the embedded derivative instruments do not significantly change the cash flows of the hybrid instrument, or the embedded derivative instruments are not be separated from the relevant hybrid instrument;

(4) A mixed instrument includes embedded derivative instruments that need to be separated but cannot be separately measured at the time of acquisition or the end of subsequent reporting periods.

When a company designates a financial liability as a financial liability measured at fair value with changes recognised in current profit or loss at initial recognition, the financial liability cannot be reclassified to another category. Financial liability in other categories cannot be reclassified as financial liabilities measured at fair value with changes recognised in profit or loss after initial recognition.

Financial liabilities at amortised cost

For such financial liabilities, the effective interest rate method is adopted and the subsequent measurement is carried out according to the amortised cost.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments

Determination of Expected Credit Losses and Accounting Treatment

Based on the expected credit losses ("ECLs"), the Group recognises an allowance for ECLs for the financial assets measured at amortised cost, debt investments at fair value through other comprehensive income, lease receivables, contract assets, and financial guarantee contracts.

For accounts receivable and contract assets excluding significant financing components, the Group applies the simplified approach to recognise a loss allowance based on lifetime ECLs.

For accounts receivable and contract assets including significant financing components and lease receivable, the Group applies the simplified approach to recognise the loss allowance based on lifetime ECLs.

Except for financial assets which apply the simplified approach as mentioned above, the Group assesses whether the credit risks of other financial assets and financial guarantee contracts has increased significantly since initial recognition at each end of the reporting period. If the credit risk has not increased significantly since the initial recognition (stage 1), the loss allowance is measured at an amount equal to 12-month ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate; if the credit risk has increased significantly since initial recognition but are not credit-impaired (stage 2), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the carrying amount and the effective interest rate, and if such financial assets are credit-impaired after initial recognition (stage 3), the loss allowance is measured at an amount equal to lifetime ECLs by the Group and the interest income is calculated according to the amortised cost and the effective interest rate. If the credit risk of financial instruments is low at the end of the reporting period, the Group assumes that the credit risk has not increased significantly since initial recognition.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

Determination of Expected Credit Losses and Accounting Treatment (Continued)

The Group's judgement criteria for a significant increase of credit risk and the definition of credit-impaired assets are disclosed in Note IX.1.

The factors reflected in the Group's measurement of the expected credit losses of financial instruments include: the unbiased probability weighted average amount determined by evaluating a series of possible results, the time value of money, and the reasonable and reliable information about past events, current conditions and future economic conditions that can be obtained without unnecessary extra costs or efforts on the end of the reporting period.

Categories of impairment provision based on credit risk characteristics and the basis for their determination

The Group has assessed the expected credit losses of trade receivables, contract assets and long-term receivables by considering the credit risk characteristics of different customers, grouping them based on common risk factors and forming multiple portfolios (including state-owned enterprises and public institutions, domestic railway project customers, overseas project customers, customers with related party relationships and other types of customers), while also incorporating the ageing analysis of trade receivables, contract assets and long-term receivables; the Group has assessed the expected credit losses of other receivables by considering the credit risk characteristics of different customers, grouping them based on common risk factors and forming multiple portfolios (including related parties and other external units considered based on the nature of amounts), while also incorporating the ageing analysis of other receivables..

Ageing calculation method based on the identification of credit risk characteristic portfolios

The Group determines the age of amounts based on the time point of project settlement, and determines the age of overdue amounts based on the agreed payment date in the contract.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

The criteria for determining individual impairment provisions

If the credit risk characteristics of a counterparty are significantly different from those of other counterparties in the portfolio, the receivables from that counterparty should be subject to individual impairment loss provisions.

Write-off of impairment allowance

When the Group no longer reasonably expects to be able to recover all or part of the contractual cash flows of a financial asset, the Group directly writes down the carrying amount of the financial asset.

(5) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts; and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(6) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made by the issuer to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are measured, on initial recognition, at fair value. For financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss, they are, after initial recognition, subsequently measured at the higher of: (i) the amount of provisions for ECLs at the end of the reporting period, and (ii) the amount initially recognised less the cumulative amortisation recognised in accordance with the guidance for revenue recognition.

(7) Derivative financial instruments

The Group uses derivative financial instruments. Derivative financial instruments are measured at its fair value at the transaction date at initial recognition and measured at fair value subsequently. Derivative financial instruments with positive fair value would be recognised as assets while those with negative fair value would be recognised as liabilities.

The gains or losses arising from changes in fair value of derivative financial instruments are recognised in profit or loss, except for those related to hedge accounting.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Financial instruments (Continued)

(8) Transfer of financial assets

A financial asset is derecognised when the Group has transferred substantially all the risks and rewards of the asset to the transferee. A financial asset is not derecognised when the Group retains substantially all the risks and rewards of the financial asset.

When the Group has neither transferred nor retained substantially all the risks and rewards of the financial asset, it either (i) derecognises the financial asset and recognises the assets and liabilities created in the transfer when it has not retained control of the asset; or (ii) continues to recognise the transferred asset to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability.

Continuing involvement that takes the form of a guarantee over the transferred financial asset is measured at the lower of the original carrying amount of the financial asset and the guarantee amount. The guarantee amount is the maximum amount of consideration that the Group could be required to repay.

11. Inventories

Inventories include raw materials, work in progress, finished goods, turnover materials, properties under development and completed properties held for sale. Costs of properties under development and completed properties held for sale mainly consist of the acquisition cost of land use rights, expenditures of land development, construction costs, infrastructure costs, costs of supporting facilities and other relevant costs.

Inventories are initially measured at actual cost. Cost of inventories comprises all costs of purchase, costs of conversion and other costs. The actual cost of inventories transferred out is determined using the first-in first-out, weighted average or specific identification method. Turnover materials include low value consumables and packing materials. Low value consumables and packing materials are amortised using immediate write-off. Other turnover materials are amortised based upon numbers of usage.

Inventories are accounted for using the perpetual inventory system.

At the end of the reporting period, inventories shall be measured at the lower of cost and net realisable value. If the cost is in excess of net realisable value, provision for inventories is recognised in the statement of profit or loss. When the circumstances that previously caused inventories to be written down below cost no longer exist and the net realisable value is higher than the carrying amount, the original amount of the write-down is reversed and charged to the profit or loss for the current period.

Net realisable value is the estimated selling price under normal business terms deducted by the estimated costs to completion, the estimated selling expenses and related taxes. Provision is considered on a category basis for inventories in large quantity and with relatively low unit prices and on an individual basis for all other inventories.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Non-current assets and disposal groups held for sale and discontinued operations

(1) Non-current assets and disposal groups held for sale

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification(Where regulations require approval from the enterprise's relevant governing body or regulatory authority prior to disposal, such approval has already been obtained). When the disposal of an investment in a subsidiary results in the loss of control, the entire investment shall be classified as held for sale in the individual financial statements, provided the criteria for such classification are met – regardless of whether the entity retains any residual equity interest in the subsidiary following the transaction.

For non-current assets or disposal groups held for sale (excluding financial assets and deferred tax assets), if their carrying amount exceeds the net amount of fair value less costs to sell, the carrying amount shall be reduced to such net amount. The amount of reduction shall be recognised as an impairment loss in the current period's profit or loss, and an impairment provision for assets held for sale shall be simultaneously recognised. Non-current assets within assets or disposal groups held for sale shall not be depreciated or amortised, nor accounted for using the equity method.

(2) Discontinued Operations

A discontinued operation refers to a component that meets any of the following criteria and has been disposed of or classified as held for sale:

i. represents a separate major line of business or geographical area of operations;

ii. is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or

iii. is a subsidiary acquired exclusively with a view to resale.

Gains or losses from discontinued operations, including impairment losses and reversals, as well as disposal gains or losses, are presented separately in the statements of profit or loss, distinct from continuing operations. For discontinued operations presented in the current period, the Group has reclassified the results previously presented as continuing operations to discontinued operations in the current period's financial statements, and presented the corresponding amounts as comparative information for the prior period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries, joint ventures and associates.

A long-term equity investment is initially measured at its initial investment cost on acquisition. For a long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the acquirer's share of the carrying value of shareholder's equity of the party being absorbed at the combination date. For the difference between the initial investment cost and the book value of the merger consideration, the capital reserve shall be adjusted (if it is not enough to offset, the retained earnings shall be offset). For a long-term equity investment through a business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of combination (for a business combination not involving entities under common control achieved in stages that involves multiple exchange transactions, the initial investment cost is carried at the aggregate of the carrying amount of the acquirer's previously held equity interest in the acquiree and the new investment cost incurred on the acquisition date). For a long-term equity investment acquired otherwise than through a business combination, the initial investment cost is determined as follows: for a long-term equity investment acquired by cash, the initial investment cost is the actual purchase price paid and direct costs, taxes and other necessary expenditures directly attributable to the acquisition of the long-term equity investment; for a long-term equity investment acquired by the issue of equity securities, the initial investment cost is the fair value of the securities issued.

For a long-term equity investment where the Company can exercise control over the investee, the long-term investment is accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Long-term equity investments (Continued)

Under the cost method, the long-term equity investment is measured at its initial investment cost. When additional investment is made or the investment is recouped, the cost of long-term equity investment is adjusted accordingly. Cash dividends or profit distributions declared by the investee are recognised as investment income in profit or loss.

The equity method is adopted when the Group has joint control, or exercises significant influence over the investee. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control with other parties over those policies.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the acquisition date, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, after it has acquired a long-term equity investment, the Group recognises its share of the investee's profit or loss, as well as its share of the investee's other comprehensive income, as investment income or loss and other comprehensive income, and adjusts the carrying amount of the investment accordingly. The Group recognises its share of the investee's profit or loss after making appropriate adjustments to the investee's profit or loss based on the fair value of the investee's identifiable assets at the acquisition date, using the Group's accounting policies and periods. Unrealised profits and losses from transactions with its joint ventures and associates are eliminated to the extent of the Group's investments in the associates or joint ventures (except for assets that constitute a business). However, any loss arising from such transactions which are attributable to an impairment loss shall be recognised at its entirety. The carrying amount of the investment is reduced based on the Group's share of any profit distributions or cash dividends declared by the investee. The Group's share of net losses of the investee is recognised to the extent that the carrying amount of the investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero, except that the Group has the obligations to assume further losses. The Group's share of the investee's equity changes, other than those arising from the investee's profit or loss, other comprehensive income or profit distribution, is recognised in the Group's equity, and the carrying amount of the long-term equity investment is adjusted accordingly.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or for both purposes. They include land use rights that are leased out; land use rights held for transfer upon capital appreciation; and buildings that are leased out.

An investment property is measured initially at cost. Subsequent expenditures incurred for such investment property are included in the cost of the investment property if it is probable that economic benefits associated with an investment property will flow to the Group and the subsequent expenditures can be measured reliably. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

The Group uses the cost model for subsequent measurement of investment properties and adopts a depreciation or amortisation policy for the investment property which is consistent with that for buildings or land use rights.

When an investment real estate is disposed of or permanently retired from use and no economic benefits are expected from its disposal, the investment real estate shall be derecognised.

When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal net of the carrying amount and related taxes in profit or loss for the period.

When the Group has evidence indicating the owner-occupied properties are converted to leasing or when it lease out its properties held for sale under operating leases, the carrying amounts of such fixed assets, intangible assets or inventories before the conversion are transferred to investment properties.

When the Group has evidence indicating the properties held to earn rentals or for capital appreciation are converted to owner-occupied properties or the properties intended for operating lease purpose are open for sale, the carrying amounts of such properties before the conversion are transferred to fixed assets, intangible asset or inventories.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow to the Group and the cost of the asset can be measured reliably. Subsequent expenditure incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss or the cost of related assets as incurred according to the beneficiaries.

Fixed assets are initially measured at cost. The purchase cost of a fixed asset comprises its purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use.

The accelerated depreciation method is adopted for depreciation of the fixed assets specifically used for research and development. The unit of production method is adopted for the depreciation of part of the large-scaled construction equipment. For other fixed assets, the straight-line method is adopted.

For fixed assets depreciated with the straight-line method, the estimated useful lives, estimated residual value rates and annual depreciation rates by category are as follows:

	Useful lives	Estimated residual value rates	Annual depreciation rates
Buildings	20-35 years	5%	2.71%-4.75%
Machinery	10-25 years	5%	3.80%-9.50%
Vehicles	5-10 years	5%	9.50%-19.00%
Production equipment	5-10 years	5%	9.50%-19.00%
Measuring and testing equipment	5 years	5%	19.00%
Others	3-5 years	5%	19.00%-31.67%

Where the individual component parts of a fixed asset have different useful lives or provide benefits to the enterprise in different patterns, different depreciation rates are applied.

The Group reviews the useful life and estimates net residual value of a fixed asset and the depreciation method applied at least at the end of each year, makes adjustments and accounts for any changes when necessary.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Construction in progress

Construction in progress is recognised based on the actual construction expenditure incurred. It consists of all types of expenditure necessarily to be incurred, capitalised borrowing costs on related borrowings before the asset is ready for its intended use, and other related expenditures during the period of construction.

The timing and criteria of construction in progress to be ready for its intended use are as follows:

	Standards for transferring
Buildings	Completion and acceptance
Machinery and equipment	Completion of installation and acceptance

17. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are included in current profit and loss.

The capitalisation of borrowing costs commences only when the expenditures for the asset and the borrowing costs have been incurred, and the activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised in profit or loss.

During the capitalisation period, the amount of interest eligible for capitalisation for each accounting period shall be determined as follows: where borrowings are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is the actual interest costs incurred on these borrowings for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those borrowings; or where borrowings are borrowed generally for the purpose of obtaining a qualifying asset, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets

(1) Useful lives of intangible assets

The Group's intangible assets include land use rights, concession rights, software licenses, mining rights and others.

An intangible asset shall be recognised only when it is probable that the related economic benefits will flow to the Group and the costs of which can be measured reliably. Intangible assets are measured initially at cost. However, intangible assets acquired in a business combination involving entities not under common control with a fair value that can be measured reliably are recognised separately as intangible assets and measured at fair value at the date of acquisition.

The useful lives of intangible assets are assessed based on estimated economic benefit periods. Those intangible assets without foreseeable economic benefit periods are classified as intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortised over the useful lives on the traffic volume basis, straight-line basis or unit of production basis. The Group reviews the useful lives and the amortisation method of intangible assets with finite useful lives, and adjusts if appropriate, at least at each year end.

Land use rights

Land use rights represent costs incurred for a certain lease period of land.

The Group accounts for its land use rights as intangible assets. The land use rights of self-developed buildings including plants are measured as intangible assets and buildings are measured as fixed assets. With respect to the land use rights purchased together with buildings, the acquisition cost is allocated between the two parts proportionately, or otherwise, is wholly accounted for as fixed assets.

Land use rights of the Group are amortised on the straight-line basis according to the useful lives approved in the land use certificates obtained.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Intangible assets (Continued)

(1) Useful lives of intangible assets (Continued)

Concession rights

The Group engages in certain service concession arrangements in which the Group carries out construction work (such as turnpike highways and other construction works) for the granting authority and receives in exchange a right to operate the assets concerned in accordance with the pre-established conditions set by the granting authority, or the Group purchases the concession rights directly.

The amortisation approach, either the traffic volume method or the straight-line method, should be selected for concession operation projects obtained through participation in the construction of expressways based on the pattern in which the asset's future economic benefits are expected to be realised at the commencement of operations. The concession rights obtained through participation in other construction projects are amortised over the expected operating period using the straight-line method.

Software licenses

The software licenses are recorded at the price actually paid upon acquisition and are amortised equally over the estimated useful lives of one to ten years.

Mining rights

Mining rights are stated at cost incurred to obtain the mining license. Amortisation is calculated by the unit of production method based on proved mining reserves.

(2) Development expenditure

The Group classifies the expenditure in an internal research and development project into expenditure in the research phase and expenditure in the development phase. Expenditure in the research phase is recognised in profit or loss for the period in which it is incurred. Expenditure in the development phase is capitalised when the Group can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; and how the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure in the development phase that does not meet the above criteria is recognised in profit or loss for the period in which it is incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Impairment of assets

The Group determines the impairment of assets, other than the impairment of inventories, contract assets and assets related to the costs incurred in fulfilling a contract, deferred tax assets, financial assets, using the following methods: The Group assesses at the end of the reporting period whether there is any indication that the assets may be impaired. If any indication exists that an asset may be impaired, the Group estimates the recoverable amount of the asset and performs impairment testing. Goodwill arising from a business combination and an intangible asset with an indefinite useful life and intangible assets that have not been ready for intended use are tested for impairment at each year end, irrespective of whether there is any indication that the asset may be impaired.

The recoverable amount of an asset is the higher of its fair value less costs to sell and the present value of the future cash flow estimated to be derived from the asset. The Group estimates the recoverable amount on an individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the asset group to which the asset belongs. Identification of an asset group is based on whether major cash inflows generated by the asset group are largely independent of the cash inflows from other assets or asset groups.

When the recoverable amount of an asset or an asset group is less than its carrying amount, the carrying amount is reduced to the recoverable amount by the Group. The reduction in the carrying amount is treated as an impairment loss and recognised in profit or loss. A provision for impairment loss of the asset is recognised accordingly.

For the purpose of impairment testing, the carrying amount of goodwill is allocated from the acquisition date on a reasonable basis to each of the related asset groups or the related set of asset groups. Each of the related asset groups or set of asset groups is an asset group or set of asset groups that is able to benefit from the synergies of the business combination and shall not be larger than a reportable segment determined by the Group.

The carrying amount of the related asset group (set of asset groups) to which goodwill has been allocated for impairment is compared to its recoverable amount. If the carrying amount of the asset group (set of asset groups) is higher than its recoverable amount, the amount of the impairment loss is firstly used to reduce the carrying amount of the goodwill allocated to the asset group (set of asset groups), and then used to reduce the carrying amount of other assets (other than the goodwill) within the asset group (set of asset groups), on a pro-rata basis of the carrying amount of each asset.

Once the above impairment loss is recognised, it cannot be reversed in subsequent periods.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Long-term prepayments

Long-term prepayments represent expenditures incurred which should be recognised as expenses over one year and should be allocated in current and subsequent periods, including costs of improvements to fixed assets under operating leases. Long-term prepayments are amortised on the straight-line basis over the estimated beneficial period. Expenditure incurred during the pre-operating period should be recognised in profit or loss immediately as incurred.

21. Employee benefits

Employee benefits are all forms of considerations given by an entity in exchange for services rendered by employees or for the termination of employment. Employee benefits include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. Employee benefits also include the benefits the Group provided to employees' spouses, children, dependent, and families of deceased employees and other beneficiaries.

(1) Short-term benefits

In the period of employee services, short-term benefits are actually recognised as liabilities and charged to profit or loss or the related costs of assets for the current period.

(2) Post-employment benefits (defined contribution plans)

For employees of the Group participate in the basic pension insurance and unemployment insurance plans managed by local governments and participate in the supplementary pension insurance of the Group as well, the relevant expenditures are recorded in the relevant capital costs and expenses in the period when incurred.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Employee benefits (Continued)

(3) Post-employment benefits (defined benefit plans)

The Group provides benefit plans for long-term post-leaving personnel, which are considered as defined benefit plans. The Group does not put any funds in the plans; the costs of the defined benefit plans are measured using the projected cumulative unit credit method.

Any re-measurement caused by the defined benefit plans, including actuarial gains or losses, is recognised in the statement of financial position immediately and recorded in equity as other comprehensive income in the accounting period the re-measurement occurred. Those losses and gains should not be reversed to profit or loss in the subsequent accounting periods.

The past service costs should be recognised as current expenses at the earlier of the following dates: (1) when the Group modifies the defined benefit plans; and (2) when the Group recognises relevant restructuring costs or termination benefits.

Net interest equals to the net defined benefit liability multiply by the discount rate. The Group recognised changes in the net defined benefit obligation as general and administrative expenses in the statement of profit or loss and other comprehensive income. Those changes include service costs, including current service costs, past service costs and gains and losses on settlement, and net interest which is the interest expenses of the plans.

(4) Termination benefits

The Group recognises a liability and expenses for termination benefits at the earlier of the following dates: when the Group can no longer unilaterally withdraw the offer of those benefits for proposals or suggestions for termination of employment; and when the Group involved restructuring-related costs or expenses in respect of which termination benefits are payable.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Debt restructuring

(1) Recording of debt restructuring obligation as the debtor

When a debt is settled by an asset in a debt restructuring, the Group derecognises the relevant asset and the debt settled when the derecognition criteria for the asset and the debt are satisfied. The difference between the carrying amount of the debt settled and the carrying amount of the asset transferred is recognised in profit or loss for the current period.

When a debt is converted into an equity instrument in a debt restructuring, the Group derecognises the debt settled when the derecognition criteria for the debt are satisfied. On initial recognition, the equity instrument is recognised at fair value. When the fair value of the equity instrument cannot be measured reliably, the equity instruments are recognised at the fair value of the debt. The difference between the carrying amount of the debt and the carrying amount of the equity instrument is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the debt restructured in accordance with ASBE No. 22 and Accounting Standard for Business Enterprises No.37-Presentation of Financial Instruments (ASBE No.37).

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group recognises and measures the equity instrument and the debt restructured in accordance with the policies regarding debts settled by assets and debts converted into equity instruments, as mentioned above. The difference between the carrying amount of the debt and the sum of the carrying amount of the assets transferred, the carrying amount of the equity instrument recognised and the carrying amount of the debt restructured is recognised in profit or loss for the current period.

(2) Recording of debt restructuring obligation as the creditor

When a debt is settled by assets in a debt restructuring, on initial recognition of the assets other than financial assets, the assets are recognised at cost.

(1) The cost of inventories includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, insurance and other costs, for bringing the assets to the current position and condition;

(2) The cost of fixed assets includes the fair value of the debt receivable and any directly attributable expenditure, including taxes, transportation costs, handling costs, installation costs, professional service costs and other costs, for bringing the assets to working condition for intended use.

(3) When the debt restructuring causes the Group to convert the debt receivable to an equity investment of joint ventures or associates, the creditor shall measure the equity investment based on the sum of the fair value of debt receivable, and any directly attributable taxes and other costs of the investment. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Debt restructuring (Continued)

(2) Recording of debt restructuring obligation as the creditor (Continued)

The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

When a debt restructuring involves the modification of other terms of a debt, the Group recognises and measures the restructured debt receivable in accordance with ASBE No. 22.

When a debt is settled by multiple assets or combination of various methods in a debt restructuring, the Group first recognises and measures the financial assets received and restructured debt receivable in accordance with ASBE No. 22, and then allocates the net value, which is the fair value of the debt receivable deducted by the recognised total carrying amount of financial assets received and restructured debt receivable, to the costs of non-financial assets received based on their relative fair value. The difference between the fair value and the carrying amount of the debt receivable is recognised in profit or loss for the current period.

23. Provisions

Except for contingent liabilities assumed in business combinations involving entities not under common control, the Group recognises an obligation related to a contingency as a provision if the obligation is a present obligation of the Group, it is probable that an outflow of economic benefits from the Group will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation, with a comprehensive consideration of factors such as the risks, uncertainty and time value of money relating to a contingency. The carrying amount of a provision is reviewed at the end of each reporting period. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the best estimate.

24. Other equity instruments

The renewable corporate bonds and other financial instruments issued by the Group shall be classified as equity instruments if no contractual obligations of one party (the issuer) to deliver cash or another financial asset to another party (the holder), or to exchange financial assets or liabilities under conditions that are potentially unfavourable.

For renewable corporate bonds and other financial instruments classified as equity instruments, distribution of interest and dividends are recognised into distribution of equity. Its repurchase and cancellation are recognised as changes of equity and transaction costs related to equity transactions are deducted from equity.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers

The Group shall recognise revenue when the Group satisfies a performance obligation in the contract, that is when the customer obtains control over relevant goods or services. Control over the relevant goods refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from the goods or services.

(1) Revenue from construction contracts

The revenue from construction contracts between the Group and the customer usually includes performance obligations of housing construction and infrastructure construction. Because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, the revenue is recognised over time only if the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation. The Group uses the input method and determines the progress towards the complete satisfaction of the rendering of services on the basis of costs incurred. If the progress towards the complete satisfaction of the performance obligation cannot be reasonably measured, but the Group expects to recover the costs incurred in satisfying the performance obligation, the revenue is recognised only to the extent of the costs incurred until such time that the Group can reasonably measure the progress towards the complete satisfaction of the performance obligation.

(2) Revenue from sales of real estate

Revenue from the Group's property development business is recognised when control of the property is transferred to the customer. Generally, revenue is recognised at a point in time after taking into account the following factors: the acquisition of the present right to collect the goods, the transfer of the principal risks and rewards of ownership of the goods, the transfer of legal ownership of the goods, the transfer of physical assets of the goods, and the customer's acceptance of the goods. The Group recognises the realization of real estate sales revenue when the house is completed and accepted, the sales contract is signed with the purchaser, the purchaser's payment certificate is obtained and the house is delivered for use. If the purchaser refuses to accept the written house delivery notice without justified reasons, the realization of real estate sales revenue shall be recognised after the end of the delivery and use time limit determined in the written house delivery notice.

(3) Revenue from plan, design and consultancy operations

For plan, design and consultancy operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

(4) Revenue from manufacturing operations

For manufacturing operations, revenue is recognised over the contract period based on the performance progress or recognised at a point in time when the customer obtains control of relevant goods or services. The revenue is recognised at transfer control point in time based on the following indicators, which include: a present right to payment for goods, the transfer of significant risks and rewards of ownership of goods, the transfer of legal title to goods, the transfer of physical possession of goods, the customer's acceptance of goods.

(5) Variable consideration

Some of the Group's contracts with customers include arrangements of variable consideration. The Group determines the best estimate of variable consideration by using the expected value method or the most likely amount method. However, the transaction price including variable consideration is only applied to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(6) Significant financing components

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods or services in cash at the time of obtaining the control of the goods or services, and amortises the difference between the transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods or services. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between when the customer obtains control of the goods or services and when the customer pays for such goods or services will be one year or less.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

(7) Consideration payable to a customer

If the contract includes consideration payable to a customer, the Group shall account for consideration payable to a customer as a reduction of the transaction price unless the payment to the customer is in exchange for a distinct good or service, and shall recognise the reduction of revenue when (or as) the later of either of the following events occurs: (1) the Group recognises revenue for the transfer of the related goods or services to the customer; and (2) the Group pays or promises to pay the consideration.

If the contract includes two or more performance obligations, at contract inception, the Group allocates the transaction price to each performance obligation on a basis of relative stand-alone selling price, at which an entity would sell a promised good or service separately to a customer. When an entity has observable evidence that the contract discount or the variable consideration relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate the contract discount or the variable consideration to one or more, but not all, performance obligations in the contract.

The stand-alone selling price is the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group shall consider all information that is reasonably available to the Group and maximise the use of observable inputs and apply estimation methods consistently in similar circumstances.

(8) Warranties

The Group provides a warranty in connection with the sale of a good or the construction of an asset in accordance with the contract and the relevant laws and regulations, etc. For an assurance-type warranty that provides the customer the assurance that the goods sold or the assets built comply with agreed-upon specifications, the Group accounts for the warranty in accordance with Note III.23. For a service-type warranty that provides a customer with a service in addition to the assurance that the product complies with agreed-upon specifications, the Group accounts for it as a separate performance obligation. On the basis of the relative proportion between the stand-alone selling price of the good and the service-type warranty, a portion of the transaction price is allocated to the service-type warranty and revenue is recognised when a customer obtained control of the good. When assessing whether a service-type warranty provides a customer with a separate service in addition to the assurance that the good complies with agreed-upon specifications, the Group considers whether the warranty is required by law, the length of the warranty coverage period and the nature of the tasks that the Group promises to perform, etc.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

(9) Principal/agent

The Group determines whether the group is a principal or an agent based on whether the Group has control over the product or service before transferring to the customer. Under the circumstance that the Group controls goods or services before goods or services are transferred to the customer, the Group is a principal and recognises revenue in the gross amount of consideration received or receivable. Otherwise, the Group is an agent and recognises revenue in the amount of any fee or commission to which it expects to be entitled from the customer. The amount is the net amount of the gross consideration received or receivable after paying the other party the consideration received in exchange for the goods or services to be provided by that party or determined by the agreed-upon amount or proportion of commissions, etc.

(10) Recognition of revenue from Public-Private Partnership ("PPP")

Public-Private-Partnership project contracts refers to the contracts established by the Group as social capital entity and the government for PPP project cooperation in accordance with laws and regulations, and the contracts shall meet the following features at the same time (hereinafter referred to as "double features"):

(a) The Group provides public products and services on behalf of the government by using PPP project assets during the contractually agreed operation period; and

(b) The Group is compensated for the public goods and services it provides for the period agreed in the contract.

The following conditions shall be met at the same time (hereinafter referred to as "double controls"):

(a) The government controls or regulates the type, object and price of public goods and services that the Group must provide in the use of PPP project assets; and

(b) When the PPP project contract is terminated, the government party controls the significant residual interests of the PPP project assets through ownership, income rights or other forms of control.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Revenue from contracts with customers (Continued)

(10) Recognition of revenue from Public-Private Partnership ("PPP") (Continued)

The Group who provides multiple service (e.g. providing construction service for PPP project and operation and maintenance service after the construction is complete) in accordance with the contract, it shall identify the single performance obligation included in the contract and allocate the transaction price to each performance obligation in accordance with the proportion of the stand-alone selling price of each performance obligation in accordance with the provisions of ASBE No. 14 – Revenue. Revenue from construction service is measured by consideration collected or entitled to charge and recognise contact assets at the same time. When the labor service is provided, the corresponding revenue is recognised in period of operation; Daily maintenance or repair expenses incurred are recognised as current expenses.

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect certain cash flows (or other financial assets) and recognise revenue and receivables simultaneously when the Group has the right to collect such consideration (a right is only determined by the passage of time), in accordance with "Accounting Standards for Business Enterprises No. 22–Recognition and Measurement of Financial Instruments".

In accordance with the PPP contract, during the operation of PPP project, the Group is entitled to collect cash flows from parties who received public products and services with uncertain amount, and such right does not constitute an unconditional right to collect cash. The Group should recognise the consideration or the revenue recognised from construction activity of PPP assets as intangible assets when the PPP assets reach working condition, in accordance with "Accounting Standards for Business Enterprises No. 6 – Intangible Assets".

After PPP assets reach working condition, the Group should recognise revenue for operation of PPP projects in accordance with "Accounting Standards for Business Enterprises No. 14 – Revenue".

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Contract assets and contract liabilities

The Group presents contract assets or contract liabilities depending on the relationship between the satisfaction of its performance obligations and the customer's payment in the statement of financial position. The Group offsets the contract assets and contract liabilities under the same contract and presents the net amount.

(1) Contract assets

The Group presents its right to consideration in exchange for goods or services as a contract asset (the right to consideration is conditional on other factors excluding the passage of time) if the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. The Group presents consideration as an account receivable when the Group has the right to it which is unconditional subsequently.

For details of how the Group measures and accounts for the ECLs of a contract asset, refer to Note III.10.

(2) Contract liabilities

The Group presents its obligation to transfer goods or services to a customer, for which the Group has received consideration or the Group has a right to an amount of consideration that is unconditional (i.e., a receivable) from the customer, as a contract liability.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Assets related to the contract cost

The Group's assets related to the contract cost include the costs to obtain and fulfil a contract and are classified as inventories, other current assets and other non-current assets by liquidity.

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if the Group expects to recover those costs, unless the amortisation period of the asset is one year or less.

Other than the costs which are capitalised as inventories, fixed assets and intangible assets, etc., costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(1) the costs relate directly to a contract or to an anticipated contract, including direct labour, direct materials, overheads (or similar expenses), costs that are explicitly chargeable to the customer and other costs that are incurred only because an entity entered into the contract;

(2) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and

(3) the costs are expected to be recovered.

The contract cost asset is amortised and charged to profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised.

The Group accrues provisions for impairment and recognises impairment losses to the extent that the carrying amount of a contract cost asset exceeds:

(1) the remaining amount of consideration expected to receive in exchange for the goods or services to which the asset relates; less

(2) the costs that are expected to be incurred to transfer those related goods or services.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Government grants

Government grants are recognised when all attaching conditions will be complied with and the grants will be received. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount.

(1) Judgement basis and accounting treatments for government grants related to assets

Government grants related to assets refer to those acquired by the Group for the purpose of purchasing or constructing or forming long-term assets.

A government grant relating to an asset shall be offset against the carrying amounts of relevant assets, or recognised as deferred income and amortised in profit or loss over the useful life of the related asset by annual instalments in a systematic and rational way (however, a government grant measured at a nominal amount is recognised directly in profit or loss). Where the assets are sold, transferred, retired or damaged before the end of their useful lives, the rest of the remaining deferred income is released to profit or loss for the period in which the relevant assets are disposed of.

(2) Judgement basis and accounting treatments for government grants related to income

Government grants related to income refer to those other than grants related to assets.

For a government grant related to income, if the grant is a compensation for related expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related expenses are recognised. If the grant is a compensation for related expenses or losses already incurred, the grant is recognised immediately in profit or loss for the period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Government grants (Continued)

(3) Relocation compensation received due to public interests

The Group receives relocation compensation directly from the government for the benefit of public interests such as urban overall planning, reservoir construction, and renovation of shanty towns and subsidence area control. The relocation compensation is paid out of financial budgets by the government and is recognised as special payable when received. The compensation granted for losses of fixed assets and intangible assets, expenses incurred, losses from suspension of projects, and assets to be constructed after the relocation, should be transferred to deferred income and recognised as government grants relating to assets and government grants related to income accordingly. Excess of the relocation compensation over the amount transferred to deferred income should be recognised in capital reserve.

29. Deferred income tax

Deferred tax is provided using the balance sheet liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts, and temporary differences between the tax bases and the carrying amounts of the items, which have a tax base according to related tax laws but are not recognised as assets and liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(1) when the taxable temporary difference arises from the initial recognition of goodwill, or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

(2) in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Deferred income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax losses and any unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax losses and unused tax credits can be utilised, except:

(1) when the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

(2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

At the end of the reporting period, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, in accordance with the requirements of tax laws. The measurement of deferred tax assets and deferred tax liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover the assets or settle the liabilities.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future periods to allow the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Leases

At inception of a contract, an entity shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(1) As lessee

Except for short-term leases and leases for which the underlying asset is of low value, the Group shall recognise right of use assets and lease liabilities.

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

At the commencement date of the lease, the Group recognises a right-of-use asset. Right-of-use assets are initially measured at cost. The cost of the right-of-use asset comprises: (i) the amount of the initial measurement of the lease liability; (ii) any lease payments made at or before the commencement date of the lease less any lease incentives received; (iii) any initial direct cost incurred; and (iv) an estimate of costs incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Group remeasures the lease liability for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying asset will be transferred to the Group at the end of the lease term, the Group depreciates the asset from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful life of the asset and the end of the lease term.

At the commencement date of the lease, the Group measures lease liabilities at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those in the costs of the related assets as required. In addition, the Group remeasures lease liabilities at the present value of the revised lease payments upon a change in any of the following: in-substance fixed payments, the amounts expected to be payable under residual value guarantees, the index or rate used to determine lease payments, or the assessment or exercise of the purchase option, the renewal option or the option to terminate the lease.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Leases (Continued)

(1) As lessee (Continued)

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease of the individual underlying asset with low value, when new, as a lease of low-value assets. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and of low-value assets. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related asset or profit or loss on a straight-line basis over the lease term.

(2) As a lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date. For a contract that contains a lease component and one or more additional lease or non-lease components, the Group shall allocate the consideration in the contract according to stand-alone selling prices.

Rent income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. The Group shall add initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognise those costs as an expense over the lease term on the same basis as the lease income.

(3) Sale and leaseback transactions

As a seller-lessee

The Group applies the requirements of ASBE No. 14 to assess whether the sale and leaseback transaction constitutes a sale by the Group as a seller-lessee. For the sale and leaseback transaction that does not constitute a sale, the Group continues to recognise the transferred asset, and recognises a financial liability which is equal to the transfer proceeds and accounts for the financial liability applying ASBE No. 22. If the sale and leaseback transaction constitutes a sale, the Group measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained and recognises only the amount of any gain or loss that relates to the rights transferred to the buyer-lessor. After the lease commencement date, the Group shall make subsequent measurements of the right-of-use assets and lease liabilities formed by the leaseback transaction in accordance with the above provisions on subsequent measurement of such assets and liabilities.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Production safety expenses

The Group accrues for production safety expenses pursuant to the Circular on Printing and Issuing the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation (Cai Qi [2022] No.136) and the Management Measures on the Enterprise Production Safety Expenses Appropriation and Utilisation, issued by the Ministry of Finance and the Ministry of Emergency Management.

Production safety expenses accrued based on the aforesaid regulations shall be recorded in the costs of related products or expenses in profit or loss for the current period and provided as a fund in the special reserve. When the expenditures are utilised as expenses, they should be recognised in the statement of profit or loss and other comprehensive income and offset against the special reserve; when the expenditures incurred relate to fixed assets, they shall be recognised in the cost of fixed assets, which will be recognised when relevant assets become ready for their intended use. The same amount as the expenditure will be offset against the special reserve and recorded as accumulated depreciation equivalent at the same time.

32. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3: Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Asset securitisation

The Group has securitised certain receivables (the "trust property"), and transferred the certain receivables to a structured entity, which issues priority/inferior asset-backed securities to investors. After settling trust tax liabilities and related fees, the trust property is utilised to service the principal and interest of the priority asset-backed securities first, with any remaining trust property after the full repayment of principal and interest allocated as income for the inferior asset-backed securities held by their respective investors.

For the securitisation business of financial assets, the Group initially assesses whether consolidation of the structured entity is necessary based on ownership stake, performance incentives received, and control exerted. If the Group retains contractual rights to receive cash flows from a financial asset but also assumes obligations to pass these cash flows on to one or more ultimate recipients under specific conditions – namely: The Group only being obligated to pay equivalent cash flows when received; The Group being prohibited from selling or pledging the financial asset while able to use it as collateral for payment obligations; and the Group being required to promptly transfer all collected cash flows without significant delay – then accounting treatment will be determined according to risk exposure and remuneration associated with assets will be transferred to other entities in accordance with Note III.10. Otherwise, recognition of transferred financial assets will remain unchanged. The Group is obligated to make payment of the financial asset to the ultimate recipient only upon receipt of an equivalent cash flow from the financial asset. The terms of the transfer contract prohibit the Group from selling or mortgaging the financial asset, except the Group may utilise it as a guarantee for fulfilling cash flow obligations to the ultimate recipient. Furthermore, it is mandatory for the Group to promptly transfer all cash flows received on behalf of the ultimate recipient to them without any significant delay.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that will affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates may result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities in the future.

(1) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have a significant effect on the amounts recognised in the financial statements:

Performance progress of construction contract

The Group determines the performance progress of the construction contract according to the input method. Specifically, the Group determines the performance progress according to the proportion of the accumulated actual construction cost in the estimated total cost. The accumulated actual cost includes the direct cost and indirect cost incurred in the process of the Group transferring goods to customers. The construction contract price with the customer is determined based on the construction cost. The proportion of the actual construction cost to the estimated total cost should reflect the performance progress of the construction service. In view of the long lifetime of the construction contract and the possibility of spanning several accounting periods, the Group will review and revise the budget with the progress of the construction contract, and adjust the revenue recognition amount accordingly.

Business model

The classification of financial assets at initial recognition depends on the Group's business model for managing financial assets. When determining the business model, the Group considers the methods to include evaluation and report financial asset performance to key management, the risks affecting the performance of financial assets and the risk management, and the manner in which the relevant management receives remuneration. When assessing whether the objective is to collect contractual cash flows, the Group needs to analyse and judge the reason, timing, frequency and value of the sale before the maturity date of the financial assets.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

(1) Judgements *(Continued)*

Contractual cash flow characteristics

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics, and the judgements on whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, including when assessing the modification of the time value of money, the judgement on whether there is any significant difference from the benchmark cash flow and whether the fair value of the prepayment features is insignificant for financial assets with prepayment features, etc.

Equity instruments

Equity instruments such as perpetual bonds issued by the Group do not need to be settled by the Group's own equity instruments, excluding the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potential adverse conditions. Therefore, the Group calculates them as other equity instruments.

Revenue from sales of real estate

According to the accounting policies described in Note III. 25, the Group recognises the revenue at the point which the customer obtains physical ownership and when the Group has acquired the current collection right and is likely to recover the consideration.

When the Group signs a sales contract with a property buyer, according to the requirements of some banks, if the buyer needs to buy a property on mortgage, the Group will enter into a tripartite mortgage guarantee loan agreement with the buyer and the bank. The Group will provide phased joint liability guarantee for the mortgage loan issued by bank to the property buyer. The phased joint liability guarantee will be released after the property buyer has completed the property ownership certificate and completed the real estate mortgage registration procedures. The Group only needs to provide guarantee to the bank for the outstanding mortgage loan of the buyer within the guarantee period. The bank will only claim against the Group if the buyer defaults and fails to repay the mortgage loan.

According to the Group's historical experience in selling similar developed products, the Group believes that during the period of phased joint liability guarantee, the ratio of the Group's guarantee liability to the bank due to the buyer's failure to repay the mortgage loan is very low, and the Group can claim the advance payment paid by the buyer for undertaking the guarantee of phased joint liability. In the case of non-repayment by the buyer, the Group can avoid loss by giving priority to the relevant property according to the relevant purchase contract. Therefore, the Group believes that the financial guarantee has no significant impact on the recognition of sales revenue of development products.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

(2) Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of financial instruments and contract assets

The Group uses the expected credit loss model to assess the impairment of financial instruments and contract assets. The Group is required to perform significant judgements and estimations and take into account all reasonable and supportable information, including forward-looking information. When making such judgements and estimates, the Group infers the expected changes in the debtor's credit risk based on historical repayment data combined with economic policies, macroeconomic indicators, industry risks and other factors. The different estimates may impact the impairment assessment, and the impairment allowance may not be representative of the actual impairment loss in the future either.

Impairment of non-current assets other than financial assets (other than goodwill)

The Group assesses whether there are any indications of impairment for all non-current assets other than financial assets at the end of the reporting period. Intangible assets with indefinite useful lives are tested for impairment annually and at other times when such an indication exists. Other non-current assets other than financial assets are tested for impairment when there are indications that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from it. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the assets. For the calculation of the present value of the future cash flows expected to be derived from an asset or asset group, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

(2) Estimation uncertainty (Continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill has been allocated. Testing the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of unlisted equity investments

For a part of unlisted equity investments, the Group adopts the market approach to estimate the fair value, which involves choosing comparable companies and market multiples and estimating the liquidity discount rate. Therefore, the valuation is subject to uncertainty. For all the other unlisted equity investments, the Group estimates the fair value through the expected cash flows discounted at current rates applicable for items with similar terms and risk characteristics. This valuation requires the Group to make estimates about expected future cash flows, credit risk, volatility and discount rates, and hence it is subject to uncertainty.

Construction and service contracts

Recognition of revenue and expenses from construction and service contracts requires management to make relevant estimates. If losses are expected to occur in construction and service contracts, such losses should be recognised as current costs. The management of the Group estimates the possible losses based on the construction and service contract budget. Due to the characteristics of housing construction, infrastructure construction, and design businesses, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in each contract budget as the contract progresses..

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

(2) Estimation uncertainty (Continued)

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgement from the management is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Confirmation and allocation of properties under development

The cost of real estate construction is recorded as inventory during the construction period, and will be carried forward to the income statement after real estate sales revenue is confirmed. Before the final settlement of project costs and other related real estate development costs, such costs need to be estimated by the management of the Group based on budgeted costs and development progress. The Group's real estate development is generally carried out in stages, and the cost directly related to the development of a certain period is recorded as the cost of that period. The common costs of different stages are allocated to each stage according to the saleable area. If the final settlement of the project cost and the related cost allocation are different from the initial estimate, the increase or decrease of the project cost and other costs will affect the profit and loss in the future years.

Inventory impairment

The Group's inventory is measured at the lower of cost and net realisable value. The net realisable value of inventory refers to the estimated selling price of the inventory minus the estimated cost, estimated selling expenses and relevant taxes and fees at the time of completion. The management's calculation of the net realisable value of inventories involves the estimation of estimated selling prices, estimated costs to be incurred by the time of completion, estimated selling expenses and relevant taxes. Changes in these estimates will affect the book value of inventories and the profit and loss of future changes.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Significant accounting judgements and estimates (Continued)

(2) Estimation uncertainty (Continued)

Useful lives and residual values of fixed assets

After considering the residual value of the fixed assets, the Group accrues depreciation within the estimated useful life. The Group regularly reviews the estimated useful life and residual value of related assets to determine the amount of depreciation expenses that will be included in each reporting period. The useful life and residual value of assets are determined by the Group based on the past experience of similar assets and combined with expected technological changes. If the previous estimate changes significantly, the depreciation expense will be adjusted in the future period.

Contingent liabilities arising from litigation and claims

The Group is involved in a number of litigation and claims in respect of certain construction work performed at present and in the past. Contingent liabilities arising from these litigation and claims have been assessed by management with reference to legal advice. Provisions on the probable obligations have been made based on management's best estimates and judgements.

Amortisation of concession rights of highways

If the assets acquired under the concession arrangement through the Group's participation in highway construction are accounted for under the intangible asset model, the concession rights are amortised at the early stage of operation period based on expected realisation approach of associated economic benefits using traffic volume method or straight-line method. In the case of traffic volume method amortisation (namely, calculating the total annual amortisation amount based on the percentage of actual traffic volume in the current period in the estimated total traffic volumes), amortisation calculation is initiated since the operation of the relevant turnpike highways.

The Group's management made judgements on the proportion of actual traffic volume in the total estimated traffic volume. Where the difference between the actual amount and the estimation is substantial, the management will re-estimate the total estimated traffic volume based on the actual traffic volume and adjust the amortisation of annual provisions for standard traffic volumes in subsequent years.

35. Changes in accounting policies and accounting estimates

(1) Changes in accounting policies

During the reporting period, there were no significant changes in accounting policies.

(2) Changes in accounting estimates

During the reporting period, there were no significant changes in accounting estimates.

IV. TAXATION

1. *Major categories of taxes and respective tax rates*

	Tax Basis	Tax rate
Value-added tax ("VAT")	Taxable income is calculated at the corresponding tax rate as output tax, and the value-added tax is calculated on the basis of the difference after deducting the input tax allowed to be deducted in the current period	3%、6%、9%、13%
City maintenance and construction tax ("CCT")	Based on the actual VAT and circulation tax payment	1%、5%、7%
Enterprise income tax ("EIT")	Taxable income	All enterprises are subject to EIT at 25% except for some domestic subsidiaries qualified for tax preferential (Note IV. 2) and overseas subsidiaries that are subject to EIT in accordance with the local tax laws applicable to the jurisdictions where the companies were registered.
Educational surcharge	Based on the actual VAT and circulation tax payment	3%
Local educational surcharge	Based on the actual VAT and circulation tax payment	2%
Land appreciation tax ("LAT")	Based on the appreciation amount arising from the transfer of properties and the extra progressive tax rate	Extra progressive tax rates: 30%, 40%, 50%, 60%
Property Tax	The portion payable under ad valorem assessment (based on original property value) or the portion payable under assessment by reference to rental income	Ad valorem assessment (based on original property value): 1.2% Assessment by reference to rental income: 12%

IV. TAXATION (CONTINUED)

2. Tax preferential

The entities subject to different enterprise income tax rates are as follows：

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 11th Bureau Group Co., Ltd. (中鐵十一局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group 6th Engineering Co., Ltd. (中鐵十一局集團第六工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group Construction and Development Co., Ltd. (中鐵十一局集團建設發展有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 11th Bureau Group 1st Engineering Co., Ltd. (中鐵十一局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group 2nd Engineering Co., Ltd. (中鐵十一局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group 3rd Engineering Co., Ltd. (中鐵十一局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group 4th Engineering Co., Ltd. (中鐵十一局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group City Rail Engineering Co., Ltd. (中鐵十一局集團城市軌道工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group New Materials Technology Co., Ltd. (中鐵十一局集團新材料科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 11th Bureau Group Electrical Engineering Co., Ltd. (中鐵十一局集團電務工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 11th Bureau Group Hanjiang Heavy Industry Co., Ltd. (中鐵十一局集團漢江重工有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group Construction Installation Engineering Co., Ltd. (中鐵十一局集團建築安裝工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Preferential corporate income tax policy
China Railway 11th Bureau Group 5th Engineering Co., Ltd. (中鐵十一局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group Xizang Engineering Co., Ltd. (中鐵十一局集團西藏工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group Xi'an Construction Co., Ltd. (中鐵十一局集團西安建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 11th Bureau Group East China Construction Co., Ltd. (中鐵十一局集團華東建設有限公司)	15%	25%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group 2nd Engineering Co., Ltd. (中鐵十二局集團第二工程有限公司)	15%	25%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group 3rd Engineering Co., Ltd. (中鐵十二局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group 7th Engineering Co., Ltd. (中鐵十二局集團第七工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 12th Bureau Group Electrification Engineering Co., Ltd. (中鐵十二局集團電氣化工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十二局集團建築安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group 1st Engineering Co., Ltd. (中鐵十二局集團第一工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
International Engineering Co., Ltd. of China Railway 12th Bureau Group (中鐵十二局集團國際工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

Company name	Preferential tax rate: For the six months ended 30 June 2026	Preferential tax rate: For the six months ended 30 June 2025	Preferential corporate income tax policy
Municipal Engineering Co., Ltd. of China Railway 12th Bureau Group (中鐵十二局集團市政工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 12th Bureau Group Shanxi Construction Components Co., Ltd. (中鐵十二局集團山西建築構件有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 12th Bureau Group 4th Engineering Co., Ltd. (中鐵十二局集團第四工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 12th Bureau Group (Tibet) Engineering Co., Ltd. (中鐵十二局集團（西藏）工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 12th Bureau Group Hanzhong Xudong Engineering Co., Ltd. (中鐵十二局集團漢中旭東工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Bridge Engineering Bureau Group 5th Engineering Co., Ltd. (中鐵建大橋工程局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Bridge Engineering Bureau Group Co., Ltd. (中國鐵建大橋工程局集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Bridge Engineering Bureau Group Construction Assembly Technology Co., Ltd. (中鐵建大橋工程局集團建築裝配科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Jinqiao Engineering Testing Co., Ltd. (中鐵津橋工程檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Modern Survey and Design Institute Co., Ltd. (中鐵現代勘察設計院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Bridge Engineering Group Electrification Engineering Co., Ltd. (中鐵建大橋工程局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Bridge Engineering Bureau Group Jingjiang Heavy Industry Co., Ltd. (中鐵建大橋工程局集團靖江重工有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group 1st Engineering Development Co., Ltd. (中鐵十四局集團第一工程發展有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Electrification Engineering Co., Ltd. (中鐵十四局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Tiezheng Testing Technology Co., Ltd. (鐵正檢測科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Shandong Zhengheng New Material Technology Co., Ltd. (山東正珩新材料科技有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group 3rd Engineering Co., Ltd. (中鐵十四局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 14th Bureau Group 4th Engineering Co., Ltd. (中鐵十四局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Shandong Civil Air Defense Architectural Design Institute Co., Ltd. (山東省人民防空建築設計院有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十四局集團隧道工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Construction Technology Co., Ltd. (中鐵十四局集團建築科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Construction Engineering Co., Ltd. (中鐵十四局集團建築工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Preferential corporate income tax policy
China Railway 14th Bureau Yellow River Construction Technology Co., Ltd. (中鐵十四局集團黃河建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
CRCC North-China Construction Technology Co., Ltd. (中鐵建華北建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Qingdao Engineering Co., Ltd. (中鐵十四局集團青島工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 14th Bureau Group Housing and Bridge Co., Ltd. (中鐵十四局集團房橋有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Shield Tunneling Co., Ltd. (中鐵十四局集團大盾構工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Fangqiao Yinlong (Tianjin) Rail Technology Co., Ltd. (中鐵房橋銀龍(天津)軌道科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Nanjing Urban Construction Fangqiao Construction Technology Co., Ltd. (南京城建房橋建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Chongqing Construction Technology Co., Ltd. (中鐵建重慶建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 14th Bureau Group Qingdao Engineering Construction Co., Ltd. (中鐵十四局集團青島工程建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 14th Bureau Group Equipment Co., Ltd. (中鐵十四局集團裝備有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 15th Bureau Group 3rd Engineering Co., Ltd. (中鐵十五局集團第三工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 15th Bureau Group 5th Engineering Co., Ltd. (中鐵十五局集團第五工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
Henan Sitong Engineering Testing Co., Ltd. (河南四通工程檢測有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 15th Bureau Group Tibet Engineering Co., Ltd (中鐵十五局集團西藏工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 16th Bureau Group Co., Ltd. (中鐵十六局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group 1st Engineering Co., Ltd. (中鐵十六局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group 2nd Engineering Co., Ltd. (中鐵十六局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group 3rd Engineering Co., Ltd. (中鐵十六局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 16th Bureau Group 4th Engineering Co., Ltd. (中鐵十六局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 16th Bureau Group Electrification Engineering Co., Ltd. (中鐵十六局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 16th Bureau Group 5th Engineering Co., Ltd. (中鐵十六局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 16th Bureau Group Railway Transportation Engineering Co., Ltd. (中鐵十六局集團鐵運工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 16th Bureau Group Tibet Engineering Co., Ltd. (中鐵十六局集團西藏工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 17th Bureau 3rd Engineering Co., Ltd. (中鐵十七局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 17th Bureau 5th Engineering Co., Ltd. (中鐵十七局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 17th Bureau Group Electrification Engineering Co., Ltd. (中鐵十七局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 17th Bureau Municipal Construction Co., Ltd. (中鐵十七局集團市政建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 17th Bureau Group (Guangzhou) Construction Co., Ltd. (中鐵十七局集團(廣州)建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 17th Bureau 2nd Engineering Co., Ltd. (中鐵十七局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 17th Bureau 4th Engineering Co., Ltd. (中鐵十七局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 17th Bureau Group Tibet Engineering Co., Ltd. (中鐵十七局集團西藏工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 18th Bureau Group 1st Engineering Co., Ltd. (中鐵十八局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group 2nd Engineering Co., Ltd. (中鐵十八局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 18th Bureau Group 3rd Engineering Co., Ltd. (中鐵十八局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group 4th Engineering Co., Ltd. (中鐵十八局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group 5th Engineering Co., Ltd. (中鐵十八局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 18th Bureau Group Construction and Installation Engineering Co., Ltd. (中鐵十八局集團建築安裝工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 18th Bureau Group Tunnel Engineering Co., Ltd. (中鐵十八局集團隧道工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 18th Bureau Group Pumping Co., Ltd. (中鐵十八局集團泵業有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group Co., Ltd. (中鐵十九局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group Rail Transit Engineering Co., Ltd. (中鐵十九局集團軌道交通工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group Mining Investment Co., Ltd. (中鐵十九局集團礦業投資有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group 1st Engineering Co., Ltd. (中鐵十九局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group 3rd Engineering Co., Ltd. (中鐵十九局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 19th Bureau Group 5th Engineering Co., Ltd. (中鐵十九局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 19th Bureau Group 6th Engineering Co., Ltd. (中鐵十九局集團第六工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group East China Engineering Co., Ltd. (中鐵十九局集團華東工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group Corporation Electric Engineering Co., Ltd. (中鐵十九局集團電務工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 19th Bureau Group Guangzhou Engineering Co., Ltd. (中鐵十九局集團廣州工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 19th Bureau Group Tibet Engineering Co., Ltd. (中鐵十九局集團西藏工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Urban Construction Transportation Development Co., Ltd. (中鐵建城建交通發展有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Building and Installing Engineering Design Institute Co., Ltd. (中鐵建安工程設計院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 20th Bureau Group 4th Engineering Co., Ltd. (中鐵二十局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Technology Testing Co., Ltd. (中鐵建科檢測有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 20th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group 6th Engineering Co., Ltd. (中鐵二十局集團第六工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 20th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Guizhou Engineering Co., Ltd. (中鐵貴州工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 20th Bureau Group Co., Ltd. (中鐵二十局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group 5th Engineering Co., Ltd. (中鐵二十局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group Electrification Engineering Co., Ltd. (中鐵二十局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 20th Bureau Group Municipal Engineering Co., Ltd. (中鐵二十局集團市政工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Qinyu Property Management Co., Ltd. (重慶秦渝物業管理有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 2nd Engineering Co., Ltd. (中鐵二十一局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group Electric and Chemical Engineering Co., Ltd. (中鐵二十一局集團電務電化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
Western Railway Construction Engineering Materials Technology Co., Ltd. (西部鐵建工程材料科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 21st Bureau Group Co., Ltd. (中鐵二十一局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 1st Engineering Co., Ltd. (中鐵二十一局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 21st Bureau Group 3rd Engineering Co., Ltd. (中鐵二十一局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 4th Engineering Co., Ltd. (中鐵二十一局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group 5th Engineering Co., Ltd. (中鐵二十一局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 21st Bureau Group Road & Bridge Engineering Co., Ltd. (中鐵二十一局集團路橋工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 22nd Bureau Group Co., Ltd. (中鐵二十二局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Jingcheng Engineering Testing Co., Ltd. (中鐵京誠工程檢測有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 22nd Bureau Group 1st Engineering Co., Ltd. (中鐵二十二局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 22nd Bureau Group Electrification Engineering Co., Ltd. (中鐵二十二局集團電氣化工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 22nd Bureau Group 4th Engineering Co., Ltd. (中鐵二十二局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
Heilongjiang Tiecheng Engineering Testing Co., Ltd. (黑龍江鐵誠工程檢測有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 22nd Bureau Group 5th Engineering Co., Ltd. (中鐵二十二局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group 1st Engineering Co., Ltd. (中鐵二十三局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway 23rd Bureau Group 4th Engineering Co., Ltd. (中鐵二十三局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 23rd Bureau Group Construction Design Institute Co., Ltd. (中鐵二十三局集團建築設計研究院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 23rd Bureau Group Electric Engineering Co., Ltd. (中鐵二十三局集團電務工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 23rd Bureau Group (Hubei) Blasting Co., Ltd. (中鐵二十三局集團（湖北）爆破有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 23rd Bureau Group Rail Transit Engineering Co., Ltd. (中鐵二十三局集團軌道交通工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 23rd Bureau Group 6th Engineering Co., Ltd. (中鐵二十三局集團第六工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 23rd Bureau Group Co., Ltd. (中鐵二十三局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group 3rd Engineering Co., Ltd. (中鐵二十三局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group Tibet Engineering Co., Ltd. (中鐵二十三局集團西藏工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 23rd Bureau Group Rail Transit Sichuan Engineering Co., Ltd. (中鐵二十三局集團軌道交通四川工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
West Railway Construction (Shaanxi) Co., Ltd. (西鐵建設（陝西）有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Ruixin (Sichuan) Engineering Technology Co., Ltd.(中鐵銳信(四川)工程技術有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway 24th Bureau Group Shanghai Electrification Co., Ltd. (中鐵二十四局集團上海電務電化有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Shen Tie Fang Yuan Inspection Technology Co., Ltd. (申鐵方圓檢測科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 24th Bureau Group Jiangsu Construction Co., Ltd. (中鐵二十四局集團江蘇工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 24th Bureau Group Southwest Construction Co., Ltd.(中鐵二十四局集團西南建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Fuzhou Minlong Railway Engineering Co., Ltd. (福州閩龍鐵路工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group 1st Engineering Co., Ltd. (中鐵二十五局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 25th Bureau Group 2nd Engineering Co., Ltd. (中鐵二十五局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group 3rd Engineering Co., Ltd. (中鐵二十五局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 25th Bureau Group 4th Engineering Co., Ltd. (中鐵二十五局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway 25th Bureau Group 5th Engineering Co., Ltd. (中鐵二十五局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway 25th Bureau Group Electric Engineering Co., Ltd. (中鐵二十五局集團電務工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Preferential corporate income tax policy
Liuzhou Railway Engineering Quality Testing Center Co., Ltd. (柳州鐵路工程品質檢測中心有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Guangzhou Tiecheng Engineering Inspection Co., Ltd. (廣州鐵誠工程品質檢測有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway 25th Bureau Group (Ganzhou) Engineering Co., Ltd.中鐵二十五局集團(贛州)工程有限公司	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Group Co., Ltd. (中鐵建設集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Group Infrastructure Construction Co., Ltd. (中鐵建設集團基礎設施建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Group Electromechanical Installation Co., Ltd. (中鐵建設集團機電安裝有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
Beijing CRCC Installation Engineering Co., Ltd. (北京中鐵安裝工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Group South Engineering Co., Ltd. (中鐵建設集團南方工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
Beijing CRCC Decoration Engineering Co., Ltd. (北京中鐵裝飾工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Group Beijing Engineering Co., Ltd. (中鐵建設集團北京工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Beijing China Railway Construction Technology Co., Ltd. (北京中鐵建建築科技有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Group East China Engineering Co., Ltd. (中鐵建設集團華東工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Group North China Engineering Co., Ltd. (中鐵建設集團華北工程有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Construction Group Central-south China Construction Co., Ltd. (中鐵建設集團中南建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Group Xi'an Engineering Co., Ltd. (中鐵建設集團西安工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Development (Hainan) Co., Ltd. (中鐵建設建築發展（海南）有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group Co., Ltd. (中國鐵建電氣化局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Beijing CRCC Electrification Design Institute Co., Ltd. (北京中鐵建電氣化設計研究院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group 1st Engineering Co., Ltd. (中鐵建電氣化局集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group 2nd Engineering Co., Ltd. (中國鐵建電氣化局集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group 3rd Engineering Co., Ltd. (中鐵建電氣化局集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group 5th Engineering Co., Ltd. (中國鐵建電氣化局集團第五工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group Science and Technology Co., Ltd. (中鐵建電氣化局集團科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Construction Electrification Bureau Group Metro Engineering Machinery Co., Ltd. (中鐵建電氣化局集團軌道交通器材有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group Operation Management Co., Ltd. (中鐵建電氣化局集團運營管理有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Construction Electrification Bureau Group South Engineering Co., Ltd. (中鐵建電氣化局集團南方工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Bureau Group 4th Engineering Co., Ltd. (中鐵建電氣化局集團第四工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group Kang Yuan New Material Co., Ltd. (中鐵建電氣化局集團康遠新材料有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Electrification Bureau Group North Engineering Co., Ltd. (中鐵建電氣化局集團北方工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Electrification Group Xi'an Zhida Co., Ltd. (中鐵建電氣化局集團西安智達有限公司	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd. (中國鐵建港航局集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
CRCC Harbour and Channel Engineering Bureau Group Survey & Design Institute Co., Ltd. (中鐵建港航局集團勘察設計院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Urban Construction Group Co., Ltd. (中鐵城建集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group 1st Engineering Co., Ltd. (中鐵城建集團第一工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group 2nd Engineering Co., Ltd. (中鐵城建集團第二工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Urban Construction Group 3rd Engineering Co., Ltd. (中鐵城建集團第三工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Beijing Engineering Company Limited of China Railway Urban Construction Group (中鐵城建集團北京工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Urban Construction Group Nanchang Construction Co., Ltd. (中鐵城建集團南昌建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Urban Construction Group Urban Operation Services Co., Ltd. (中鐵城建集團城市運營服務有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Construction Group Construction Technology Co., Ltd. (中鐵城建集團建築科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Group Industrial Investment Development (Jilin) Co., Ltd.(中铁城建集团產业投資發展(吉林)有限公司)	**15%**	25%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway Urban Construction Group East China Construction Co., Ltd.(中鐵城建集團華東建設有限公司)	**15%**	25%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway First Survey and Design Institute Group Co., Ltd. (中鐵第一勘察設計院集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway First Survey and Design Institute (Shaanxi) Engineering Construction Co., Ltd. (中鐵一院(陝西)工程建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Xi'an Runtong Digital Technology Co., Ltd. (西安潤通數字科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Lanzhou Railway Design Institute Co., Ltd. (蘭州鐵道設計院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Xi'an Yidi Weike Intelligent Technology Co., Ltd. (西安益迪惟科智能科技有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Xi'an Railway First Institute Construction Drawing Review Co., Ltd.(西安铁一院工程施工圖審查有限公司)	**15%**	5%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway SIYUAN Survey and Design Group Co., Ltd. (中鐵第四勘察設計院集團有限公司)	**15%**	15%	The entity was entitled to enjoy the preferential tax policy for hightech enterprises, expire at the end of 2025. (Note 1)
Railway SIYUAN (Hubei) Engineering Supervision Consulting Co., Ltd. (鐵四院(湖北)工程監理諮詢有限公司)	**15%**	15%	The entity was entitled to enjoy the preferential tax policy for hightech enterprises, expire at the end of 2025. (Note 1)
Wuhan Railway SIYUAN Engineering Consulting Co., Ltd. (武漢鐵四院工程諮詢有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
China Railway SIYUAN Survey and Design Group Nanning Survey and Design Institute Co., Ltd. (中鐵四院集團南寧勘察設計院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway SIYUAN Survey and Design Group Southwest Survey and Design Institute Co., Ltd. (鐵四院集團西南勘察設計有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway SIYUAN Survey and Design Group New Type Rail Transit Design & Research Co., Ltd. (中鐵四院集團新型軌道交通設計研究有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
Changzhou Comprehensive Transportation Design and Research Co., Ltd.(常州綜合交通設計研究有限公司)	**15%**	25%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.
Haixia (Fujian) Transportation Engineering Design Co., Ltd. (海峽(福建)交通工程設計有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2025. (Note 1)
Guangzhou Designing Institute Co., Ltd. (廣東省鐵路規劃設計研究院有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway SIYUAN Survey and Design Group Operation and Maintenance Co., Ltd. (中鐵四院集團工程運維有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Tiesiyuan Wuhan Testing Technology Co., Ltd. (鐵四院武漢檢測技術有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Fifth Survey and Design Institute Group Co., Ltd. (中鐵第五勘察設計院集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Beijing Tieyan Construction Supervision Co., Ltd. (北京鐵研建設監理有限責任公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Beijing Iron Fifth Institute Intelligent Equipment Co., Ltd (北京鐵五院智能裝備有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Beijing Tiecheng GIGNA Engineering Testing Co., Ltd. (北京鐵城檢測認證有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Engineering General Contracting (Beijing) Co., Ltd. (中鐵建工程總承包(北京)有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Beijing Tiecheng Engineering Consulting Co., Ltd. (北京鐵城工程諮詢有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Quzhou Communication Design Co., Ltd. (衢州市交通設計有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.

IV. TAXATION (CONTINUED)

2. Tax preferential (Continued)

The entities subject to different enterprise income tax rates are as follows：(Continued)

Company name	Preferential tax rate For the six months ended 30 June 2026	Preferential tax rate For the six months ended 30 June 2025	Preferential corporate income tax policy
China Railway Shanghai Design Institute Group Corporation Limited (中鐵上海設計院集團有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Shanghai Xianxing Construction Supervision Co., Ltd. (上海先行建設監理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Hangzhou Railway Design Institute Co., Ltd. (杭州鐵路設計院有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Nanchang Railway Survey and Design Institute Co., Ltd. (南昌鐵路勘測設計院有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Shanghai Design Institute Group Hefei Co., Ltd. (中鐵上海設計院集團合肥有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
China Railway Construction Heavy Industry Corporation Limited (中國鐵建重工集團股份有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
Zhuzhou China Railway Electric Materials Co., Ltd. (株洲中鐵電氣物資有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Longchang Materials Co., Ltd. (中鐵隆昌鐵路器材有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for hightech enterprises, expire at the end of 2026. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Heavy Industry Xinjiang Co., Ltd. (鐵建重工新疆有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
CRCC International Engineering Consulting (Fuzhou) CO., LTD. (中鐵建國際工程諮詢（福州）有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction Suzhou Design and Research Institute Co., Ltd. (中國鐵建蘇州設計研究院有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
CRCC High-Tech Equipment Corporation Limited (中國鐵建高新裝備股份有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2028. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Beijing Ruiweitong Engineering Machinery Co., Ltd. (北京瑞維通工程機械有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
Pangu Cloud Chain (Tianjin) Digital Technology Co., Ltd. (盤古雲鏈(天津)數位科技有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2026.
China Railway Construction South China Construction (Guangzhou) High Tech Industry Co., Ltd. (中鐵建華南建設(廣州)高科技產業有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for high tech enterprises, expire at the end of 2027.
CRCC Kunlun Investment Group Co., Ltd. (中國鐵建昆侖投資集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Kunlun Metro Investment Construction Management Co., Ltd. (中鐵建昆侖地鐵投資建設管理有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Yunnan Investment Co., Ltd. (中鐵建雲南投資有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chengdu CRCC Kunlun Rail Engineering Co., Ltd. (成都中鐵建昆侖軌道工程有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chengdu CRCC Chengzi Rail Transit Development Co., Ltd. (成都中鐵建成資軌道交通發展有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Tiefa Suiyu Highway Co., Ltd. (重慶鐵發遂渝高速公路有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
CRCC Chongqing Investment Group Co., Ltd. (中鐵建重慶投資集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	For the six months ended 30 June 2026	For the six months ended 30 June 2025	Preferential corporate income tax policy
CRCC Chongqing Petrochemical Sales Co., Ltd. (中鐵建重慶石化銷售有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Jinlu Traffic Engineering Co., Ltd. (重慶金路交通工程有限責任公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Kunlun Expressway Operation Management Co., Ltd. (中鐵建昆侖高速公路運營管理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Kunlun Road and Bridge Construction Co., Ltd. (中鐵建昆侖路橋建設有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
CRCC Ecological Environment Co., Ltd. (中鐵建生態環境有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy for hightech enterprises, expire at the end of 2026. The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Wuzhen Expressway Co., Ltd. (重慶巫鎮高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Yonglu Expressway Co., Ltd. (重慶永瀘高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Xuanwei City Jingyuan Environmental Governance Co., Ltd. (宣威市淨源環境治理有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction (Yinchuan) Urban Development Co., Ltd. (中铁建（银川）城市發展有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Tiefa Shuanghe Expressway Co., Ltd. (重慶鐵發雙合高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Chongqing Tiefa Xiusong Expressway Co., Ltd.(重慶鐵發秀松高速公路有限公司)	15%	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.

IV. TAXATION (CONTINUED)

2. *Tax preferential (Continued)*

The entities subject to different enterprise income tax rates are as follows：(Continued)

	Preferential tax rate		
Company name	**For the six months ended 30 June 2026**	For the six months ended 30 June 2025	**Preferential corporate income tax policy**
China Railway Construction Investment Group Co., Ltd. (中國鐵建投資集團有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for corporate income tax in the Hengqin Guangdong-Macao In-depth Cooperation Zone.
China Railway Construction Highway Operation Co., Ltd. (中鐵建公路運營有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy for corporate income tax in the Hengqin Guangdong-Macao In-depth Cooperation Zone.
China Railway Highway China Petroleum (Sichuan) Energy Co., Ltd. (鐵建高速中油(四川)能源有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Guizhou Anshun-Ziyun Highway Co., Ltd. (中鐵建貴州安紫高速公路有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Chongqing Rail Transit Loop Line Construction Co., Ltd. (中鐵建重慶軌道環線建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
China Railway Construction Sichuan Jianpu Expressway Co., Ltd. (中鐵建四川簡蒲高速公路有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Railway Construction Northwest Investment & Construction Co., Ltd. (中鐵建西北投資建設有限公司)	**15%**	15%	The entity is entitled to enjoy the preferential tax policy under the Western Development strategy, expire at the end of 2030.
Guangzhou Nansha High-End Manufacturing Industry Park Development and Management Co., Ltd. (廣州南沙高端製造產業園開發管理有限公司)	**50% reduction**	exempt from	The entity is entitled to enjoy the preferential tax policy for environmental protection, expire at the end of 2028.
Guangzhou Qingsheng Industrial Park Development and Management Co., Ltd. (廣州慶盛產業園開發管理有限公司)	**50% reduction**	50% reduction	The entity is entitled to enjoy the preferential tax policy for environmental protection, expire at the end of 2027.

Note 1: The entity has submitted the application materials for re-recognition as a high-tech enterprise and is awaiting review by the Department of Science and Technology, Department of Finance, and Tax Bureau. For the six months ended 30 June 2026 the entity prepaid income tax at the preferential rate of 15% applicable to high-tech enterprises.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

	30 June 2026	31 December 2025
Cash on hand	**72,424**	79,044
Cash at banks	**152,262,182**	175,001,673
Other cash and bank balances	**11,262,965**	11,846,395
Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**4,654,728**	4,995,001
Total	**168,252,299**	191,922,113
Including: Total amount of offshore deposits	**17,495,677**	19,214,955

The restricted cash and bank balances of the Group are stated in Note V.27.

As at 30 June 2026, the Group held foreign cash and bank balances amounting to RMB17,495,677,000 (31 December 2025: RMB19,214,955,000), certain cash and bank balances deposited in certain countries or regions that were subject to foreign exchange control and not freely convertible into other currencies or remitted out of those countries. As at 30 June 2026 the Group's cash and bank balances denominated in foreign currencies which were deposited in aforesaid countries or regions represented less than 3% (31 December 2025: less than 3%) of the cash and bank balances in the Group's consolidated statement of financial position.

	30 June 2026	31 December 2025
Cash and bank balances at the end of the period/year	**168,252,299**	191,922,113
Less: Mandatory reserves placed by CRCC Finance Company Limited with the central bank	**4,654,728**	4,995,001
Less: Other restricted cash and bank balances	**11,176,791**	11,800,618
Less: Non-pledged time deposits with original maturity of three months or more when acquired	**1,616,634**	1,818,242
Cash and cash equivalents at the end of the period/year	**150,804,146**	173,308,252

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets

	30 June 2026	31 December 2025
Equity instruments	258,761	316,002
Others	931,790	690,285
Total	1,190,551	1,006,287

3. Bills receivable

(1) Classification of bills receivable

	30 June 2026	31 December 2025
Bank acceptance bills	569,904	593,803
Commercial acceptance bills	1,548,477	2,245,643
Subtotal	2,118,381	2,839,446
Less: Allowance for credit losses	7,084	10,357
Total	2,111,297	2,829,089

(2) Bills receivable endorsed to other parties or discounted but not yet due at the end of current period

As at 30 June 2026, the Group had non-matured bills receivable of RMB373,995,000 (31 December 2025: RMB987,073,000) which had been endorsed to other parties and the endorsees had the rights of recourse. The Group did not derecognise those bills receivable as the Group considered that all risks and rewards of the ownership had not been transferred from the endorsed bills receivable.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Bills receivable (Continued)

(3) Bills receivable and allowance for credit losses are by credit risk portfolio as follows:

	30 June 2026				
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	Carrying amount
Allowance for credit losses assessed by credit risk portfolio	2,118,381	100.00	7,084	0.33	2,111,297

	31 December 2025				
	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	Carrying amount
Allowance for credit losses assessed by credit risk portfolio	2,839,446	100.00	10,357	0.36	2,829,089

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables

(1) An aging analysis of trade receivables is listed as follows:

	30 June 2026	31 December 2025
Within 1 year	**219,486,609**	199,054,604
1 to 2 years	**32,993,295**	27,886,195
2 to 3 years	**16,749,694**	16,225,349
Over 3 years	**21,352,003**	20,884,278
Subtotal	**290,581,601**	264,050,426
Less: Allowance for credit losses	**23,768,265**	23,026,474
Total	**266,813,336**	241,023,952

(2) Trade receivables and allowance for credit losses by category are listed as follows:

30 June 2026

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	**33,329,131**	**11.47**	**14,316,142**	**42.95**	**19,012,989**
Allowance for credit losses assessed by credit risk portfolio	**257,252,470**	**88.53**	**9,452,123**	**3.67**	**247,800,347**
Total	**290,581,601**	**100.00**	**23,768,265**	**8.18**	**266,813,336**

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

31 December 2025

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed individually	32,974,353	12.49	13,955,146	42.32	19,019,207
Allowance for credit losses assessed by credit risk portfolio	231,076,073	87.51	9,071,328	3.93	222,004,745
Total	264,050,426	100.00	23,026,474	8.72	241,023,952

As at 30 June 2026 trade receivables whose allowance for credit losses were assessed individually are listed as follows:

	30 June 2026				31 December 2025		
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reasons	Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Company 1	19,935,707	8,105,173	40.66	*Note*	19,557,149	7,929,302	40.54
Company 2	821,562	517,535	62.99	*Note*	821,562	517,535	62.99
Company 3	420,586	420,586	100.00	*Note*	443,927	443,927	100.00
Company 4	576,733	410,286	71.14	*Note*	563,733	409,449	72.63
Company 5	592,015	387,161	65.40	*Note*	592,015	387,161	65.40
Total	22,346,603	9,840,741	44.04		21,978,386	9,687,374	44.08

Note: The Group makes provisions for credit losses based on the expected recoverability of the amounts.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

As at 30 June 2026, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

	Gross carrying amount	Allowance for credit losses Amount	Percentage (%)
Portfolio 1	155,893,162	5,195,270	3.33
Portfolio 2	22,236,977	480,523	2.16
Portfolio 3	10,677,793	718,942	6.73
Portfolio 4	12,901,587	318,089	2.47
Portfolio 5	55,542,951	2,739,299	4.93
Total	257,252,470	9,452,123	3.67

Portfolio 1 :

	30 June 2026			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	126,853,642	81.38	1,552,432	1.22
1 to 2 years	17,898,708	11.48	857,054	4.79
2 to 3 years	5,868,402	3.76	728,857	12.42
Over 3 years	5,272,410	3.38	2,056,927	39.01
Total	155,893,162	100.00	5,195,270	3.33

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

Portfolio 2：

	30 June 2026			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	19,953,107	89.73	143,742	0.72
1 to 2 years	1,541,473	6.93	83,480	5.42
2 to 3 years	384,844	1.73	41,142	10.69
Over 3 years	357,553	1.61	212,159	59.34
Total	22,236,977	100.00	480,523	2.16

Portfolio 3：

	30 June 2026			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	6,955,690	65.15	66,903	0.96
1 to 2 years	2,132,694	19.97	90,177	4.23
2 to 3 years	868,197	8.13	85,610	9.86
Over 3 years	721,212	6.75	476,252	66.03
Total	10,677,793	100.00	718,942	6.73

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows(Continued):

Portfolio 4：

	30 June 2026			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	9,052,603	70.17	72,208	0.80
1 to 2 years	2,242,547	17.38	56,061	2.50
2 to 3 years	1,517,781	11.76	153,825	10.13
Over 3 years	88,656	0.69	35,995	40.60
Total	12,901,587	100.00	318,089	2.47

Portfolio 5：

	30 June 2026			
	Gross carrying amount		Allowance for credit losses	
	Amount	Percentage (%)	Amount	Percentage (%)
Within 1 year	46,132,482	83.06	714,865	1.55
1 to 2 years	5,688,564	10.24	319,826	5.62
2 to 3 years	1,861,533	3.35	278,830	14.98
Over 3 years	1,860,372	3.35	1,425,778	76.64
Total	55,542,951	100.00	2,739,299	4.93

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(3) credit losses for trade receivables

Movements in allowance for credit losses for trade receivables are listed as follows:

	Opening balance of the current period	Provision for the period	Reversal for the period	Write-off for the period	Others	Closing balance of current period
For six months ended 30 June 2026	23,026,474	1,873,252	(1,084,540)	(3,438)	(43,483)	23,768,265

For six months ended 30 June 2026, there were no significant recoveries, reversals or write-offs of the provision for impairment of trade receivables.

(4) As at 30 June 2026, top five entities with the largest balances of trade receivables and contract assets are listed as follows:

	Closing balance of trade receivables	Closing balance of contract assets	Total of closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets(%) *(%)*	Closing balance of allowance for credit losses on trade receivables and contract assets
Company 1	22,340,350	40,251,987	62,592,337	6.82	923,972
Company 2	19,935,707	4,179,517	24,115,224	2.63	9,850,152
Company 3	17,013	13,599,051	13,616,064	1.48	70,714
Company 4	225	7,281,792	7,282,017	0.79	36,836
Company 5	–	5,636,177	5,636,177	0.61	28,090
Total	42,293,295	70,948,524	113,241,819	12.33	10,909,764

The Group's restricted accounts receivable is presented in Note V, 27.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Trade receivables (Continued)

(4) As at 30 June 2026, top five entities with the largest balances of trade receivables and contract assets are listed as follows: (Continued)

As at 30 June 2026, the Group derecognised trade receivables of RMB30,370,092,000 (for the year ended 31 December 2025: RMB46,894,899,000) due to transfer of financial assets and recognised losses from derecognition of financial assets, amounting to RMB1,096,208,000 (for the year ended 31 December 2025: RMB1,813,049,000).

5. Receivables at fair value through other comprehensive income

	30 June 2026	31 December 2025
Bank acceptance bills	1,013,545	1,129,124

As at 30 June 2026, the Group had non-matured bills receivable of RMB753,397,000 (31 December 2025: RMB1,588,555,000) which had been discounted or endorsed to other parties and the endorsees had the right of recourse. The Group derecognised those bills receivable as the Group considered that all risks and rewards of the ownership had been transferred from the discounted or endorsed bills receivable since there was extremely low risk of the acceptor's inability to cash the bills upon expiry based on the acceptor's good reputation.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Advances to suppliers

(1) An aging analysis of advances to suppliers is listed as follows:

	30 June 2026		31 December 2025	
	Gross carrying Amount	Percentage (%)	Gross carrying Amount	Percentage (%)
Within 1 year	26,332,287	96.99	23,510,917	97.49
1 to 2 years	512,832	1.89	358,428	1.49
2 to 3 years	125,768	0.46	81,973	0.34
Over 3 years	178,079	0.66	163,268	0.68
Total	27,148,966	100.00	24,114,586	100.00

As at 30 June 2026, there were no advances to suppliers with significant balances aged over one year.

(2) As at 30 June 2026, advances to the five largest suppliers are listed as follows:

Company name	Amount	Percentage of total advances to suppliers (%)
Total amount of the five largest prepayments to suppliers	2,264,254	8.34

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

(1) An aging analysis of other receivables is as follows:

	30 June 2026	31 December 2025
Within 1 year	**51,304,664**	41,086,313
1 to 2 years	**12,997,709**	14,589,779
2 to 3 years	**9,623,486**	10,509,562
Over 3 years	**13,142,822**	12,825,948
Subtotal	**87,068,681**	79,011,602
Less: Allowance for credit losses	**9,299,095**	9,049,561
Total	**77,769,586**	69,962,041

(2) Other receivables categorized by nature:

	30 June 2026	31 December 2025
Loans for cooperative development project	**38,365,759**	36,295,026
Security deposits and cash pledged	**17,639,573**	16,546,702
Advance payments	**14,597,901**	11,519,640
Others	**16,465,448**	14,650,234
Subtotal	**87,068,681**	79,011,602
Less: Allowance for credit losses	**9,299,095**	9,049,561
Total	**77,769,586**	69,962,041

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Disclosed by method of determining allowance for credit losses

30 June 2026

	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage *(%)*	Amount	Percentage *(%)*	Carrying amount
Allowance for credit losses assessed individually	6,748,740	7.75	4,122,885	61.09	2,625,855
Allowance for credit losses assessed by credit risk portfolio	80,319,941	92.25	5,176,210	6.44	75,143,731
Total	87,068,681	100.00	9,299,095	10.68	77,769,586

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (continued)

(3) Disclosed by method of determining allowance for credit losses (Continued)

31 December 2025

	Gross carrying amount		Allowance for credit losses		
	Amount	Percentage (%)	Amount	Percentage (%)	Carrying amount
Allowance for credit losses assessed individually	5,947,441	7.53	3,661,975	61.57	2,285,466
Allowance for credit losses assessed by credit risk portfolio	73,064,161	92.47	5,387,586	7.37	67,676,575
Total	79,011,602	100.00	9,049,561	11.45	69,962,041

Significant other receivables for which provision for credit losses is individually assessed are as follows:

	30 June 2026				31 December 2025		
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reason	Gross carrying for amount credit	Allowance for credit losses	Provision percentage (%)
Tianjin Wanhe Real Estate Co., Ltd.	2,444,772	943,172	38.58	Note	2,454,672	943,172	38.42
Guangzhou Suiyun Real Estate Co., Ltd.	935,809	366,820	39.20	Note	935,809	366,820	39.20
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	583,922	409,547	70.14	Note	590,838	409,547	69.32
Guizhou Honghua Logistics Co., Ltd.	451,102	203,249	45.06	Note	451,102	163,249	36.19
Guangdong Dalong Enterprise Group Co., Ltd.	150,000	150,000	100.00	Note	150,000	150,000	100.00
Total	4,565,605	2,072,788	45.40	-	4,582,421	2,032,788	44.36

Note: According to the recoverability of other receivables, the Group recorded allowance for credit losses.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(3) Disclosed by method of determining allowance for credit losses (Continued)

At 30 June 2026 other receivables for which provision for credit losses is collectively assessed on a portfolio basis are as follows:

	Gross carrying amount	Allowance for credit losses	Proportion *(%)*
Within 1 year	51,071,484	255,349	0.50
1 to 2 years	12,395,331	767,268	6.19
2 to 3 years	8,351,082	1,264,348	15.14
Over 3 years	8,502,044	2,889,245	33.98
Total	80,319,941	5,176,210	6.44

Movements in the allowance for credit losses of other receivables, based on 12-month expected credit losses and lifetime expected credit losses, are as follows:

	Phase 1 Future 12-month expected credit losses	Phase 2 Lifetime expected credit losses (Non-credit-impaired)	Phase 3 Lifetime expected credit losses(Credit-impaired)	Total
Opening balance of the current period	2,670,263	1,793,168	4,586,130	9,049,561
Opening balance reclassified during the period	(419,951)	91,374	328,577	–
Provision for the current period	171,099	172,289	145,588	488,976
Reversal for the current period	(175,165)	(29,135)	(17,891)	(222,191)
Write-off for the current period	(358)	(3)	(1,182)	(1,543)
Others	(3,047)	(2,792)	(9,869)	(15,708)
Closing balance of the current period	2,242,841	2,024,901	5,031,353	9,299,095

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

(4) Credit losses for other receivables

Movements in the allowance for credit losses of other receivables are as follows:

	Opening balance	Provision for the Current period	Reversal for the Current period	Write-off for the Current period	Others	Closing balance
For the six months ended 30 June 2026	9,049,561	488,976	(222,191)	(1,543)	(15,708)	9,299,095

(5) As at 30 June 2026, other receivables from the five largest customers are as follows:

	Relationship with the Group	Closing balance	Percentage of Total balance of other receivables (%)	Nature	Aging	Allowance for credit losses
Beijing Xintexinjian Investment Co., Ltd.	Joint venture	3,372,871	3.87	Cooperative development funds	Within 3 years	3,372
Beijing Xinda Real Estate Co., Ltd.	Joint venture	2,601,776	2.99	Cooperative development funds	Within 3 years	76,484
Tianjin Wanhe Real Estate Co., Ltd.	Joint venture	2,444,772	2.81	Cooperative development funds	More than 5 years	943,172
Kinda (Group) Co., Ltd.	Third party	2,010,847	2.31	Cooperative development funds	Within 3 years	1,999
Guizhou Zhongguang Cultural and Creative City Real Estate Co., Ltd	Joint venture	1,977,567	2.27	Cooperative development funds	Within 3 years	2,035
Total		12,407,833	14.25			1,027,062

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

(1) Inventory classification

	30 June 2026			31 December 2025		
	Gross carrying amount	Provision for decline in value	Carrying amount	Gross carrying amount	Provision for decline in value	Carrying amount
Raw materials	30,774,026	36,733	30,737,293	26,240,888	35,644	26,205,244
Work in progress	6,540,007	17,886	6,522,121	5,960,757	17,886	5,942,871
Finished goods	8,211,102	86,748	8,124,354	8,686,426	94,781	8,591,645
Turnover materials	14,416,546	40,536	14,376,010	14,864,622	99,514	14,765,108
Properties under development (3)	135,920,236	2,049,083	133,871,153	135,331,606	2,028,446	133,303,160
Completed properties held for sale (4)	80,208,646	6,504,009	73,704,637	82,265,631	5,147,100	77,118,531
Total	276,070,563	8,734,995	267,335,568	273,349,930	7,423,371	265,926,559

(2) Movements in provision for impairment of inventories

	Opening balance	Additions		Reductions		Closing balance
		Provision	Others	Reversal	Write-off and Others	
Raw materials	35,644	1,089	–	–	–	36,733
Work in progress	17,886	–	–	–	–	17,886
Finished goods	94,781	483	–	(2,506)	(6,010)	86,748
Turnover materials	99,514	–	–	–	(58,978)	40,536
Properties under development	2,028,446	120,506	–	–	(99,869)	2,049,083
Completed properties held for sale	5,147,100	1,427,286	59,056	(3,239)	(126,194)	6,504,009
Total	7,423,371	1,549,364	59,056	(5,745)	(291,051)	8,734,995

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(3) Details of the properties under development are listed as follows:

Project name	Construction commencement date	Estimated latest completion date	Estimated aggregate investment amount	30 June 2026	31 December 2025
Westlake Zunfu Project	October 2023	December 2026	8,268,645	4,832,037	5,092,686
CRCC Chongqing City Park Project	January 2022	December 2027	5,575,299	3,380,841	3,270,887
Chongqing Shanyu Taoyuan Project	June 2022	November 2027	5,088,377	3,229,931	3,203,395
Tiejian City Project	February 2022	November 2027	8,613,042	3,103,802	3,020,983
Shanghai Xipai Yunjian Project	June 2025	December 2027	5,000,000	3,080,471	2,828,711
Tiejian City (Guiyang) Project	August 2020	December 2028	3,326,213	3,009,402	2,934,328
Xipai Chenyue Project	April 2020	December 2028	5,961,690	2,865,457	2,814,842
CRCC Guijiao Qinfengyasong Project	October 2023	December 2026	4,044,610	2,667,335	2,546,126
Taizhou Huangyan Dongpu Future Community Project	June 2022	November 2026	5,825,550	2,540,091	2,453,434
Chengdu Jinyue Xu Project	September 2025	September 2027	3,724,314	2,457,003	2,291,621
CRCC Guanshan Yundi Project	May 2021	December 2028	5,252,912	2,413,181	2,401,946
Xipai Tianlu Project	December 2025	December 2028	4,037,458	2,412,187	1,082,971
City Throne Project	January 2024	December 2026	3,217,885	2,367,015	2,214,269
West Pinnacle Tianzhuo & West Pinnacle Tianfeng Projects	November 2024	March 2028	3,150,377	2,261,542	2,064,694
Chengdu CRCC Westlake Lan'an Project	April 2014	March 2027	3,301,101	2,215,166	2,169,267
Tianjin CRCC International City Project	January 2011	December 2029	3,724,000	2,191,232	2,097,732
Lingxiu Mansion South Zone Project	December 2018	December 2026	3,009,388	2,137,704	2,104,007
CRCC Westlake Lan'an Project	April 2022	December 2026	2,933,794	2,129,853	2,049,932
CRCC Huayu Shangcheng Project	March 2024	July 2026	3,278,220	2,087,461	1,913,773
Haishu District CL-01-05 Plot Project	September 2023	December 2026	2,841,080	1,898,340	1,742,256
Other projects			244,486,787	82,640,185	85,033,746
Total			334,660,742	135,920,236	135,331,606

As at 30 June 2026, The amount of interest expense capitalised in properties under development and completed properties held for sale is was RMB23,517,519,000 (31 December 2025: RMB22,585,387,000). Borrowing costs capitalized for the six months ended 30 June 2026 amounted to RMB1,787,442,000 (for the six months ended 30 June 2025: RMB2,337,875,000). The capitalisation rates of borrowing costs ranged from 2.00%~7.50% (for the six months ended 30 June 2025: 2.20%~7.00%).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (continued)

(4) Details of the completed properties held for sale are listed as follows:

Project name	Latest completion date	31 December 2025 Gross carrying amount	Additions	Reductions	30 June 2026 Gross carrying amount
CRCC Huayutang Project	January 2025	2,996,560	–	618,042	**2,378,518**
CRCC Xinda Huayu Tianchen Project	March 2025	1,870,186	4,044	–	**1,874,230**
City Throne Project	December 2025	1,867,093	–	16	**1,867,077**
Guoyin Wenyuan Project	April 2026	1,039,534	815,677	3,614	**1,851,597**
CRCC Xipai Yujiang Project	April 2024	1,790,323	2,560	–	**1,792,883**
Changchun Westlake Tang Song Project	December 2025	1,720,338	26,426	–	**1,746,764**
Wenzhou Lucheng Future Community Project	November 2024	2,053,258	41,380	562,346	**1,532,292**
Guiyang CRCC International City Project	October 2024	1,693,110	129	166,093	**1,527,146**
New Xidu Project	November 2025	1,719,604	–	221,557	**1,498,047**
Qingdao CRCC Plaza Project	March 2025	1,496,881	–	110,369	**1,386,512**
CRCC Huayu City Project	January 2026	445,210	938,375	1,351	**1,382,234**
CRCC Mingxian Mansion Project	September 2025	1,349,250	32,173	97,878	**1,283,545**
Wutong Qianshan Project	June 2022	1,165,818	56,114	11,396	**1,210,536**
Chengdu Beihu Xinqu Project	December 2019	1,120,867	1,587	–	**1,122,454**
Xipai Yiyuan Project	June 2025	1,334,164	–	212,352	**1,121,812**
CRCC Chongqing City Park Project	December 2021	1,109,818	3,572	3,094	**1,110,296**
CRCC Yuanshidai Project	November 2025	1,103,202	–	22,726	**1,080,476**
Guoyin Yayuan Project	April 2026	567,916	482,438	–	**1,050,354**
New World International Huafu Project	August 2023	983,310	–	–	**983,310**
Florissa Project	December 2023	1,034,940	–	70,894	**964,046**
Other projects	–	53,804,249	6,609,241	8,968,973	**51,444,517**
Total	–	82,265,631	9,013,716	11,070,701	**80,208,646**

The restricted inventories of the Group are stated in Note V. 27.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets

Contract assets are from the Group's construction operations. The Group provides construction services in accordance with the construction contract entered into with customers and recognises revenue based on performance progress over the contract period. According to the contract term, customers of the Group make progress billings with the Group based on the performance progress and make payment for the progress billings within the credit term. Revenue recognised based on performance progress in excess of progress billings is presented as contract asset, and is disclosed in contract assets/other non-current assets based on liquidity. While progress billings in excess of revenue recognised based on performance progress is presented as contract liabilities.

Item	**30 June 2026**	31 December 2025
Contract assets	**416,405,509**	380,654,177
Less: Provision for impairment losses on contract assets	**7,047,073**	6,302,413
Total	**409,358,436**	374,351,764

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows:

30 June 2026

	Gross carrying amount		Provision for impairment of assets		
	Amount	Percentage *(%)*	Amount	Percentage *(%)*	Carrying amount
Provision for impairment of assets assessed individually	25,559,399	6.14	4,807,999	18.81	20,751,400
Provision for impairment of assets assessed by credit risk portfolio	390,846,110	93.86	2,239,074	0.57	388,607,036
Total	416,405,509	100.00	7,047,073	1.69	409,358,436

31 December 2025

	Gross carrying amount		Provision for impairment of assets		
	Amount	Percentage *(%)*	Amount	Percentage *(%)*	Carrying amount
Provision for impairment of assets assessed individually	22,381,412	5.88	4,242,947	18.96	18,138,465
Provision for impairment of assets assessed by credit risk portfolio	358,272,765	94.12	2,059,466	0.57	356,213,299
Total	380,654,177	100.00	6,302,413	1.66	374,351,764

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows: (Continued)

Contract assets whose allowance for credit losses were assessed individually are listed as follows:

	30 June 2026				31 December 2025		
	Gross carrying amount	Provision for impairment of assets	Provision percentage (%)	Reasons	Gross carrying amount	Provision for impairment of assets	Provision percentage (%)
Company 1	2,076,937	409,461	19.71	Note	2,092,513	418,503	20.00
Company 2	1,515,731	626,336	41.32	Note	1,446,462	569,626	39.38
Company 3	536,250	160,875	30.00	Note	561,607	117,938	21.00
Company 4	345,605	53,845	15.58	Note	345,605	53,845	15.58
Company 5	216,014	34,305	15.88	Note	222,281	34,336	15.45
Total	4,690,537	1,284,822	27.39		4,668,468	1,194,248	25.58

Note: The Group provides construction engineering services to the companies. Due to the fact that the companies' funds are expected to be insufficient for the settlement of some contract assets, corresponding impairment provisions have been made.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Contract assets (Continued)

(1) Contract assets and provision for impairment losses for contract assets by category are listed as follows: (Continued)

As at 30 June 2026 contract assets whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

	Gross carrying amount	Provision for impairment of assets	Provision percentage *(%)*
Portfolio 1	328,864,823	1,639,371	0.50
Portfolio 2	13,429,533	238,376	1.78
Portfolio 3	8,342,472	35,384	0.42
Portfolio 4	40,209,282	325,943	0.81
Total	390,846,110	2,239,074	0.57

(2) Movements in allowance for credit losses for contract assets are listed as follows:

	Opening balance of the current period	Provision for the period	Reversal for the period	Write-off for the period	Others	Closing balance of current period
For the six months ended 30 June 2026	6,302,413	1,236,709	(317,122)	–	(174,927)	7,047,073

For the six months ended 30 June 2026, there were no significant recoveries, reversals or write-offs of the impairment provisions for contract assets.

The restricted trade receivables of the Group are stated in Note V. 27.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. *Current portion of non-current assets*

	30 June 2026	31 December 2025
Current portion of long-term receivables *(Note V, 15)*	**21,322,540**	22,990,506
Current portion of retention receivables *(Note V, 26)*	**11,850,056**	12,878,528
Other debt investments due within one year *(Note V. 14)*	**23,314**	10,765
Total	**33,195,910**	35,879,799

11. *Other current assets*

	30 June 2026	31 December 2025
Prepaid taxes and VAT input to be deducted	**26,066,406**	24,287,661
Reverse repurchase of treasury bonds	**–**	2,999,970
Interbank negotiable certificates of deposits	**7,120,135**	6,959,698
Others	**1,769,371**	2,289,139
Total	**34,955,912**	36,536,468

12. *Loans and advances to customers*

	30 June 2026	31 December 2025
Loans and advances to customers	**1,263,059**	1,448,700
Less: Provision for impairment losses on loans and advances to customers	**40,093**	43,989
Total	**1,222,966**	1,404,711

13. *Debt investments*

	30 June 2026			31 December 2025		
	Gross carrying amount	Allowance for credit losses	Carrying amount	Gross carrying amount	Allowance for credit losses	Carrying amount
Long term loans receivable	**6,295,586**	**3,093,038**	**3,202,548**	6,339,086	3,093,160	3,245,926
Including: Total debt investments due after one year	**6,295,586**	**3,093,038**	**3,202,548**	6,339,086	3,093,160	3,245,926

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Debt investments (Continued)

The changes in the provision for impairment of debt investments are as follows:

	Opening balance of the current period	Provision for the period	Reversal for the period	Other movement	Closing balance of current period
During the six-month period ended on 30 June 2026	3,093,160	35	(157)	–	3,093,038

	Phase 1 Future 12-month expected credit losses	Phase 3 Lifetime expected credit losses(Credit-impaired)	Total
Opening balance of the current period	9,011	3,084,149	3,093,160
Provision for the period	35	–	35
Reversal for the period	(157)	–	(157)
Closing balance of the current period	8,889	3,084,149	3,093,038

Category	30 June 2026 Gross carrying amount Amount	Gross carrying amount Percentage (%)	Provision for impairment of assets Amount	Provision for impairment of assets Percentage (%)	Carrying amount
Provision for impairment of assets assessed individually	3,894,580	61.86	3,084,149	79.19	810,431
Provision for impairment of assets assessed by credit risk portfolio	2,401,006	38.14	8,889	0.37	2,392,117
Total	6,295,586	100.00	3,093,038	49.13	3,202,548

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. *Debt investments (Continued)*

Category	31 December 2025				
	Gross carrying amount		Provision for impairment of assets		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	3,889,820	61.36	3,084,149	79.29	805,671
Provision for impairment of assets assessed by credit risk portfolio	2,449,266	38.64	9,011	0.37	2,440,255
Total	6,339,086	100.00	3,093,160	48.80	3,245,926

For the six months ended 30 June 2026, debt investments written off amounted to nil (2025: Nil).

As at 30 June 2026, the Group's significant debt investments were as follows:

A subsidiary of the Group had entered into an agreement for an interest-bearing loan with a real estate industry customer, and recognised a debt investment with a gross carrying amount of RMB2,927,340,000 (31 December 2025: RMB2,927,340,000). Due to the debt default of this customer, the subsidiary of the Group recognised full provision of impairment through default exposure at the life-time expected credit loss rate.

14. *Other Debt investment*

	31 December 2025	Increase in investment	Decrease in investment	Interest Adjustment	Fair value changes for the year	30 June 2026	Investment cost	Cumulative fair value changes	Impairment provisions recognized in other comprehensive income on a cumulative basis
Government bond	3,590,897	5,083,545	3,570,996	(69,744)	104,444	5,138,146	5,000,000	(84,545)	–
Including: Total debt investments due within one year *(Note V.10)*	10,765	83,545	70,996	–	–	23,314	–	–	–
Including: Total debt investments due after one year	3,580,132	5,000,000	3,500,000	(69,744)	104,444	5,114,832	5,000,000	(84,545)	–

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables

(1) Long-term receivables

	30 June 2026			31 December 2025		
	Gross carrying amount	Allowance for credit losses	Carrying amount	Gross carrying amount	Allowance for credit losses	Carrying amount
Long-term project receivables	126,846,640	3,108,867	123,737,773	123,883,848	3,009,842	120,874,006
PPP project receivables	11,638,066	123,548	11,514,518	11,668,205	121,535	11,546,670
Primary land development receivables	27,888,796	199,275	27,689,521	26,185,248	194,331	25,990,917
Others	28,917,888	1,091,043	27,826,845	29,279,308	1,061,453	28,217,855
Total	195,291,390	4,522,733	190,768,657	191,016,609	4,387,161	186,629,448
Less: Current portion of non-current assets:	21,931,338	608,798	21,322,540	23,595,187	604,681	22,990,506
Including: Long-term project receivables	10,988,617	443,115	10,545,502	12,674,017	439,330	12,234,687
PPP project receivables	2,339,433	62,621	2,276,812	2,296,706	58,854	2,237,852
Primary land development receivables	5,945,787	89,568	5,856,219	5,922,748	92,926	5,829,822
Others	2,657,501	13,494	2,644,007	2,701,716	13,571	2,688,145
Long-term receivables due after one year	173,360,052	3,913,935	169,446,117	167,421,422	3,782,480	163,638,942

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method

30 June 2026

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	5,814,920	2.98	2,654,384	45.65	3,160,536
Provision for impairment of assets assessed by credit risk portfolio	189,476,470	97.02	1,868,349	0.99	187,608,121
Total	195,291,390	100.00	4,522,733	2.32	190,768,657

31 December 2025

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Provision for impairment of assets assessed individually	5,566,612	2.91	2,560,510	46.00	3,006,102
Provision for impairment of assets assessed by credit risk portfolio	185,449,997	97.09	1,826,651	0.98	183,623,346
Total	191,016,609	100.00	4,387,161	2.30	186,629,448

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method (Continued)

Long term receivables for which bad debt provisions are individually accrued are as follows:

	30 June 2026				31 December 2025		
	Gross carrying amount	Allowance for credit losses	Provision percentage (%)	Reason	Gross carrying amount	Allowance for credit losses	Provision percentage (%)
Company 1	1,186,548	725,314	61.13	Note	1,147,418	684,128	59.62
Company 2	609,833	418,274	68.59	Note	609,833	418,274	68.59
Company 3	995,644	340,001	34.15	Note	1,015,644	340,001	33.48
Company 4	137,955	137,955	100.00	Note	137,955	137,955	100.00
Company 5	251,103	124,164	49.45	Note	251,103	124,164	49.45
Total	3,181,083	1,745,708	54.88		3,161,953	1,704,522	53.91

Note: According to the recoverability of receivables, the Group recorded allowance for credit losses.

	Gross carrying amount		
	Non-credit-impaired	Credit-impaired	Total
Opening balance of the current period	1,826,651	2,560,510	4,387,161
Provision for the period	204,801	110,303	315,104
Reversal for the period	(163,053)	(16,389)	(179,442)
Others	(50)	(40)	(90)
Closing balance of the current period	1,868,349	2,654,384	4,522,733

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Long-term receivables (Continued)

(2) Disclosed by bad debt accrual method (Continued)

As at 30 June 2026, long-term receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

	Gross carrying amount	Allowance for credit losses	Provision percentage *(%)*
Portfolio 1	151,729,138	1,460,044	0.96
Portfolio 2	577,032	2,880	0.50
Portfolio 3	18,305,949	167,364	0.91
Portfolio 4	18,864,351	238,061	1.26
Total	189,476,470	1,868,349	0.99

(3) Status of bad debt provision

Movements in the allowance for credit losses of long-term receivables were as follows:

	Opening balance of the current period	Provision for the period	Reversal for the period	Write-off for the period	Others	Closing balance of current period
During the six-month period ended on 30 June 2026	4,387,161	315,104	(179,442)	–	(90)	4,522,733

The restricted long-term receivables of the Group are stated in Note V. 27.

For the six months ended 30 June 2026, the Group has not derecognised long-term receivables due to the transfer of financial assets (for the year ended 31 December 2025: RMB674,412,000), and has not recognised losses on derecognition (for the year ended 31 December 2025: RMB22,824,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments

(1) Long-term equity investments

	30 June 2026	31 December 2025
Joint ventures	**59,164,318**	60,291,512
Associates	**91,811,618**	89,040,976
Sub-total	**150,975,936**	149,332,488
Less: Provision for impairment of long-term equity investments	**49,208**	49,208
Total	**150,926,728**	149,283,280

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments (Continued)

(1) Long-term equity investments (Continued)

	1 January 2026	Changes for the period: Increase in investment	Decrease in investment	Investment profits or losses under equity method	Other changes in equity	Others	Declaration of cash dividends	30 June 2026	Provision for impairment at the end of period
Joint ventures									
Sichuan Chengmian Cangba Expressway Co., Ltd.	4,301,755	74,795	-	(134,217)	-	-	-	4,242,333	-
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. *(Note 1)*	3,779,089	-	-	-	-	-	-	3,779,089	-
Hohhot Metro Line 2 Construction & Management Co., Ltd. *(Note 2)*	3,680,945	-	-	-	-	-	-	3,680,945	-
Chongqing Yuxiang Fuxian Highway Co., Ltd.	3,153,403	-	-	(4,326)	-	-	-	3,149,077	-
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	2,804,810	-	-	42,830	-	-	-	2,847,640	-
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	2,430,258	-	-	22,052	-	-	-	2,452,310	-
Guiyang Changda Rail Transit Construction Co., Ltd.	1,911,644	-	-	(10,295)	-	-	-	1,901,349	-
Xuchang Municipal Rail Construction Co., Ltd.	1,880,253	-	-	-	-	-	-	1,880,253	-
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	1,688,101	-	-	-	-	-	-	1,688,101	-
Sichuan Nansuitong Expressway Co., Ltd.	1,501,182	-	-	(3,499)	-	-	-	1,497,683	-
Others	33,160,072	589,143	(1,274,955)	(371,299)	3,009	(6,696)	(53,736)	32,045,538	(49,208)
Total	60,291,512	663,938	(1,274,955)	(458,754)	3,009	(6,696)	(53,736)	59,164,318	(49,208)

Note 1: According to the articles of association of Kunming Rail Transit Line 5 Construction & Operation Co., Ltd., the operation polices and investment plans made in the shareholders' meeting and the resolution of the review and approval of board of directors' report shall be subject to all voting rights of shareholders. The Group holds 54.40% shares in Kunming Rail Transit Line 5 Construction & Operation Co., Ltd. and has appointed one director to the board of directors. The Group can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

Note 2: According to the articles of association of Hohhot Metro Line 2 Construction & Management Co., Ltd., the major decisions made in the shareholders' meeting shall be subject to more than two-thirds of voting rights of shareholders. As the Group holds 51.00% shares in Hohhot Metro Line 2 Construction & Management Co., Ltd., The Group can jointly control the entity with other shareholders but not wholly control it. Therefore, it is accounted for as a joint venture of the Group.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments (Continued)

(1) Long-term equity investments (Continued)

	1 January 2026	Changes for the period: Increase in investment	Decrease in investment	Investment profits or losses under equity method	Other changes in equity	Others	Declaration of cash dividends	30 June 2026	Provision for impairment at the end of period
Associates									
CRCC Financial Leasing Co., Ltd. *(Note 1)*	3,466,638	-	-	129,923	-	3,133	-	3,599,694	-
Hangqu Railway Co., Ltd.	3,003,081	-	-	-	-	-	-	3,003,081	-
CRCC-Tongguan Investment Co., Ltd.	2,791,089	-	-	587,097	(23,323)	-	(510,514)	2,844,349	-
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	2,067,038	457,072	-	-	-	-	-	2,524,110	-
Zhuhai Railway Construction Asia Investment Equity Investment Partnership (Limited Partnership)	2,463,800	-	-	74,992	-	-	(74,992)	2,463,800	-
Shanghai Wanjinglong Real Estate Co., Ltd.	2,052,528	-	-	17,336	-	-	-	2,069,864	-
Kunming Sanqing Highway Co., Ltd.	2,079,564	-	-	(14,423)	-	-	-	2,065,141	-
CRCC Ningxia Highway Co. Ltd.	2,032,291	-	-	(31,169)	-	-	-	2,001,122	-
Yunnan Kunchu Highway Investment & Development Co.,Ltd.	1,717,273	-	-	(39,656)	-	-	-	1,677,617	-
CRCC Investment Jizhong Development and Construction Co., Ltd.	1,629,296	-	-	1,578	-	-	-	1,630,874	-
Others	65,738,378	2,506,049	(624,501)	584,667	57	(2,330)	(270,354)	67,931,966	-
Total	89,040,976	2,963,121	(624,501)	1,310,345	(23,266)	803	(855,860)	91,811,618	-

Note 1: According to the articles of association of CRCC Financial Leasing Co., Ltd., the decisions of amending the company's articles of association, increasing the registered capital, resolutions of the company merger, division, dissolution, changing the company form, scope of operations, issuing of corporate bonds and selecting the directors shall be subject to more than two-thirds of voting rights of shareholders. Others shall be subject to more than half of voting rights of shareholders. As the Group holds 50.00% shares in CRCC Financial Leasing Co., Ltd., it can neither control nor jointly control the entity with other shareholders, but has significant influence over the entity. Therefore, it is accounted for an associate of the Group.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Long-term equity investments (Continued)

(2) Impairment of long-term equity investments

	Opening balance of the current period	Increase during the period	Decrease during the period	Closing balance of current period
Joint Venture				
PetroChina & CRCC Petroleum Marketing CO., LTD	49,208	–	–	49,208
Total	49,208	–	–	49,208

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments

(1) Information about investments in other equity instruments

	30 June 2025	31 December 2025
Equity investments in listed companies	**1,410,294**	1,794,600
Equity investments in unlisted companies	**13,310,869**	12,289,669
Total	**14,721,163**	14,084,269

For the six months ended 30 June 2026:

		Changes for the period						
Item	1 January 2026	Increase of investment	Decrease of investment	Changes in fair value	Others	30 June 2026	Dividends recognised for the period	Accumulated gains and losses included in other comprehensive income at the end of the period
Other equity instrument investments	14,084,269	1,035,999	(618,053)	219,579	(631)	14,721,163	19,688	1,071,209

For the year ended 31 December 2025:

		Changes for the year						
Item	1 January 2025	Increase of investment	Decrease of investment	Changes in fair value	Others	31 December 2025	Dividends recognised for the year	Accumulated gains and losses included in other comprehensive income at the end of the year
Other equity instrument investments	13,167,797	1,280,456	(607,690)	242,647	1,059	14,084,269	257,290	1,185,983

The net gains and losses recognised in other comprehensive income for the current period amounted to RMB149,576,000 related to investments derecognized during the period. The remaining amount relates to investments held at the end of the period. There were no dividend incomes recognised in the current period associated with investments that were derecognized.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other equity instrument investments (Continued)

(2) Termination of confirmation for other equity instrument investments

	Fair value at the time of termination confirmation	Cumulative gains transferred to retained earnings due to derecognition	Cumulative losses transferred to retained earnings due to the termination of recognition	Reason for termination confirmation
Tongling Nonferrous Metals Group Holding Co., Ltd.	601,769	393,354	–	Sold for strategic purposes

18. Other non-current financial assets

	30 June 2026	31 December 2025
Investments in unlisted fund products	**9,568,391**	9,314,615
Equity investments in listed companies	**286,437**	484,446
Others	**2,595,757**	3,030,663
Total	**12,450,585**	12,829,724

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Investment properties

(1) Subsequent measurement under cost method

	Buildings and land use right
Original costs	
Opening balance	19,568,980
Additions	9,458
Transferred in from inventories	212,329
Transferred in from fixed assets	203,940
Transferred in from construction in progress	8,050
Transferred in from intangible assets	7,386
Disposal	(15,743)
Transferred out to fixed assets	(64,229)
Transferred out to inventories	(38,443)
Other	222,975
Closing balance	20,114,703
Accumulated depreciation and amortisation	
Opening balance	2,700,948
Provision	261,972
Transferred in from fixed assets	30,543
Transferred in from intangible assets	1,335
Disposal	(7,606)
Transferred out to fixed assets	(8,251)
Transferred out to inventories	(399)
Other	(423)
Closing balance	2,978,119
Provision for impairment	
Opening balance	224,893
Other	(2,062)
Closing balance	222,831
Carrying amount	
Closing balance	16,913,753
Opening balance	16,643,139

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Investment properties (Continued)

(1) Subsequent measurement under cost method (Continued)

As at 30 June 2026, the Group was in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB419,887,000 (31 December 2025: RMB537,972,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 30 June 2026.

The restricted investment properties of the Group are stated in Note V. 27.

20. Fixed assets

(1) Information about fixed assets

	Buildings and structures	Machinery and equipment	Transportation vehicles	Other equipment	Total
Original costs					
1 January 2026	37,317,268	53,354,763	16,742,200	85,049,908	192,464,139
Additions	94,809	1,388,060	493,953	4,006,620	5,983,442
Transferred in from construction in progress	249,101	449,427	3,195	402,072	1,103,795
Transferred in from investment properties	64,229	–	–	–	64,229
Transferred in from inventory	462,956	–	–	62	463,018
Other increases	36,668	39,142	34,916	30,514	141,240
Disposal or retirement	(226,782)	(1,589,381)	(373,249)	(2,635,595)	(4,825,007)
Transferred out to construction in progress	(5,686)	(828,378)	(3,938)	(6,427)	(844,429)
Transferred out to investment properties	(203,940)	–	–	–	(203,940)
Other decreases	(126,929)	(269,084)	(85,164)	(185,037)	(666,214)
30 June 2026	37,661,694	52,544,549	16,811,913	86,662,117	193,680,273

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Fixed assets (contiuned)

(1) Information about fixed assets (Continued)

	Buildings and structures	Machinery and equipment	Transportation vehicles	Other equipment	Total
Accumulated depreciation					
1 January 2026	9,434,832	32,938,644	13,568,646	63,328,086	119,270,208
Provision	530,345	1,871,910	581,018	5,205,540	8,188,813
Transferred in from investment properties	8,251	–	–	–	8,251
Other increases	4,214	38,470	31,350	17,464	91,498
Disposal or retirement	(57,328)	(1,280,308)	(349,270)	(2,484,356)	(4,171,262)
Transferred out to construction in progress	(1,505)	(384,196)	(3,742)	(2,137)	(391,580)
Transferred out to investment properties	(30,543)	–	–	–	(30,543)
Other decreases	(30,685)	(217,329)	(69,224)	(64,813)	(382,051)
30 June 2026	9,857,581	32,967,191	13,758,778	65,999,784	122,583,334
Provision for impairment					
1 January 2026	151,695	98,544	725	23,639	274,603
Provision for the year	–	–	–	–	–
Disposal or retirement	(9,473)	(4,190)	–	–	(13,663)
Other decreases	(33,819)	–	–	–	(33,819)
30 June 2026	108,403	94,354	725	23,639	227,121
Carrying amount					
30 June 2026	27,695,710	19,483,004	3,052,410	20,638,694	70,869,818
1 January 2026	27,730,741	20,317,575	3,172,829	21,698,183	72,919,328

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Fixed assets (Continued)

(2) Fixed assets without certificates of title

	Carrying amount	Reasons for incomplete title certificates
Building construction	1,829,925	In process

The restricted fixed assets of the Group are stated in Note V. 27.

As at 30 June 2026, the Group was in the process of applying for and handling registration or transfer of the title certificates of certain buildings with an aggregate carrying amount of RMB1,829,925,000 (31 December 2025: RMB1,909,678,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such buildings. The Company's management is also of the opinion that the matter did not have any adverse significant impact on the Group's financial position as at 30 June 2026.

21. Construction in progress

	30 June 2026	31 December 2025
Construction in progress	**10,871,012**	9,027,327

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(1) Construction in progress

	30 June 2026			31 December 2025		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
CRCC South China Headquarters Building Project	2,024,052	–	2,024,052	2,003,645	–	2,003,645
CRCC Development Group Hotan Minfeng 1,000 MW Photovoltaic Desert Control Project	1,936,199	–	1,936,199	1,570,008	–	1,570,008
Yancheng Huangshagang National Central Fishery Port	660,433	–	660,433	621,366	–	621,366
CRCC Port and Shipping Project	433,581	–	433,581	412,124	–	412,124
China Railway Construction Yuhu Phase II	386,478	–	386,478	373,954	–	373,954
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project	341,643	–	341,643	329,488	–	329,488
Inner Mongolia Ulanqab Zhuozi County 1,050 MW / 6,300 MWh Compressed Air Energy Storage Power Station Project	337,143	–	337,143	30,221	–	30,221
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	307,934	–	307,934	276,397	–	276,397
Shanghai CRCC Lingang Building (K08)	168,233	–	168,233	3,447	–	3,447
Taizhou Port Taixing Port Area Qiwei Operating Area Public Wharf	151,470	–	151,470	127,180	–	127,180
Others	4,133,409	9,563	4,123,846	3,289,060	9,563	3,279,497
Total	10,880,575	9,563	10,871,012	9,036,890	9,563	9,027,327

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(2) Changes in significant construction in progress

	Budgeted amount	Carrying amount at 1 January 2026	Additions	Transfer Out to fixed assets	Others transferred out	Carrying amount at 30 June 2026	Source of funds	Proportion of investment to budget *(%)*
CRCC South China Headquarters Building Project	4,046,040	2,003,645	20,407	-	-	2,024,052	loan	50.03
CRCC Development Group Hotan Minfeng 1,000 MW Photovoltaic Desert Control Project	2,684,809	1,570,008	366,191	-	-	1,936,199	loan	72.12
Yancheng Huangshagang National Central Fishery Port	2,828,157	621,366	39,067	-	-	660,433	loan	23.35
CRCC Port and Shipping project	701,138	412,124	21,457	-	-	433,581	loan	61.84
China Railway Construction Yuhu Phase II	605,236	373,954	12,524	-	-	386,478	self financing	63.86
Jingjiang Bridge Science and Technology Industrial Park Steel Structure and Revolving Equipment Manufacturing and Lease Project	473,855	329,488	12,155	-	-	341,643	self financing	72.10
Inner Mongolia Ulanqab Zhuozi County 1,050 MW / 6,300 MWh Compressed Air Energy Storage Power Station Project	7,758,510	30,221	306,922	-	-	337,143	self financing/ loan	4.35
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	396,467	276,397	31,537	-	-	307,934	loan	77.67
Shanghai CRCC Lingang Building (K08)	587,156	3,447	164,786	-	-	168,233	loan	28.65
Taizhou Port Taixing Port Area Qiwei Operating Area Public Wharf	224,771	127,180	24,617	(327)	-	151,470	loan	67.53
Others		3,289,060	2,062,870	(1,103,468)	(115,053)	4,133,409	self financing/ loan	
Total		9,036,890	3,062,533	(1,103,795)	(115,053)	10,880,575		
Less: Provision for impairment		9,563	-	-	-	9,563		
Net value at the end of the year		9,027,327	3,062,533	(1,103,795)	(115,053)	10,871,012		

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Construction in progress (Continued)

(2) Changes in significant construction in progress (Continued)

For the six months ended 30 June 2026, construction in progress with a carrying amount of RMB1,103,795,000 (2025: RMB5,123,501,000) and RMB54,678,000 (2025:RMB229,839,000) had been transferred to fixed assets and intangible assets respectively, and the amount transferred into investment real estate was RMB8,050,000 (2025: RMB411,076,000).

The amounts of interest expenses capitalised in the balance of construction in progress and the capitalisation rates are listed as follows:

	Progress as at 30 June 2026 (%)	Capitalised amount of borrowing costs as at 30 June 2026	Including: Interest capitalised during the period	Capitalisation rate during the period (%)
CRCC South China Headquarters Building Project	50.03	262,070	17,888	2.46
Yancheng Huangshagang National Central Fishery Port	23.35	33,693	6,725	2.45
CRCC Development Group Hotan Minfeng 1,000 MW Photovoltaic Desert Control Project	72.12	21,575	17,379	2.78
CRCC Port and Shipping project	61.84	17,986	4,974	3.03
Shield Tunneling Foundation and Terminal Engineering of Logistic Company	77.67	9,448	1,812	2.43
Others		30,303	4,257	
Total		375,075	53,035	

The restricted construction in progress of the Group are stated in Note V. 27.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Right-of-use assets

	Buildings	Machinery	Vehicles	Other equipment	Total
Original costs					
Opening balance	7,871,087	5,955,523	3,236,374	546,783	17,609,767
Additions	623,674	164,592	100,201	12,406	900,873
Disposal	(403,897)	(408,112)	(53,446)	(32,864)	(898,319)
Internal Reclassifications	188,192	–	–	(188,192)	–
Closing balance	8,279,056	5,712,003	3,283,129	338,133	17,612,321
Accumulated depreciation					
Opening balance	3,074,456	3,029,717	669,940	242,298	7,016,411
Provision	533,903	676,542	118,587	47,678	1,376,710
Disposal	(324,193)	(361,681)	(50,413)	(17,767)	(754,054)
Internal Reclassifications	52,207	–	–	(52,207)	–
Closing balance	3,336,373	3,344,578	738,114	220,002	7,639,067
Carrying amount					
Closing balance	4,942,683	2,367,425	2,545,015	118,131	9,973,254
Opening balance	4,796,631	2,925,806	2,566,434	304,485	10,593,356

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets

(1) Intangible assets

	Land use rights	Concession rights	Software licenses	Mining rights and others	Total
Original costs					
Opening balance	9,490,510	170,972,187	2,148,702	4,120,183	186,731,582
Additions	76,156	9,315,379	63,057	70,421	9,525,013
Acquisition of a Subsidiary	–	5,626,036	–	–	5,626,036
Transferred in from construction in progress	1,925	45,399	6,542	812	54,678
Disposal or retirement	(46,163)	(3,773)	(19,554)	(5,256)	(74,746)
Transferred out to Investment properties	(7,386)	–	–	–	(7,386)
Other Changes	(4,005)	917,376	(8,433)	(2,541,070)	(1,636,132)
Closing balance	9,511,037	186,872,604	2,190,314	1,645,090	200,219,045
Accumulated amortisation					
Opening balance	2,460,523	9,390,301	1,441,591	1,470,089	14,762,504
Provision	112,913	1,645,631	99,535	71,344	1,929,423
Disposal or retirement	(45,387)	(6)	(18,995)	(3,519)	(67,907)
Other Changes	(1,817)	541,496	(499)	(630,990)	(91,810)
Closing balance	2,526,232	11,577,422	1,521,632	906,924	16,532,210
Provision for impairment					
Opening balance	9,043	1,391,686	–	340,367	1,741,096
Other	–	–	–	(20,728)	(20,728)
Closing balance	9,043	1,391,686	–	319,639	1,720,368
Carrying amount					
Closing balance	6,975,762	173,903,496	668,682	418,527	181,966,467
Opening balance	7,020,944	160,190,200	707,111	2,309,727	170,227,982

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets (Continued)

(1) Intangible assets (Continued)

Note: For six months ended 30 June 2026, the Group's concessions increased by RMB8,037,843,000 due to asset acquisitions and business combinations not under common control, including the concessions for the Western (Chongqing) Science City Beibei High-tech Industrial Park Comprehensive Development PPP Project (Phase I) and the Jiangyin High-speed Rail Station Integrated Transportation Hub PPP Project in Jiangsu Province.

For the six months ended 30 June 2026, intangible assets recognised through the internal research and development account 0.01% of the closing balance of intangible assets (For the six months ended 30 June 2025: 0.003%).

The restricted intangible assets of the Group are stated in Note V. 27.

(2) Intangible assets with incomplete property ownership certification:

	Carrying amount	Reasons for the incomplete property ownership certification
Wuhu New Base Land	14,668	Conditions not met
Land use rights on the south side of Jifeng Avenue, Yong'an City	13,030	Conditions not met
Doumen Base Land Use Rights	11,140	Conditions not met
Land use rights of Wuhan Urban Rail Research Center	8,194	Conditions not met
Land use rights of office area and oil depot	7,747	Conditions not met
Others	17,663	Conditions not met
Total	72,442	

As at 30 June 2026, the Group was in the process of applying for the title certificates of certain parcels of its land in the PRC with an aggregate carrying amount of RMB72,442,000 (31 December 2025: RMB54,737,000). The Company's management is of the view that the Group is entitled to lawfully and validly occupy and use such land, and also of the opinion that the matter did not have any significant adverse impact on the Group's financial position as at 30 June 2026.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Intangible assets (Continued)

(3) The amounts of interest capitalised in the balance of intangible assets and the capitalisation rates are analysed as follows:

Item	Project progress at the end of the period *(%)*	Capitalised amount of borrowing costs in the closing balance	Interest capitalised during the period/from the acquisition date to the period	Capitalisation rate during the period *(%)*
Sichuan Jianpu Expressway Concession	100	1,109,378	–	–
Wudang (Yangchang) to Changshun Expressway Concession, Guizhou Province	99	1,011,238	150,617	3.00
Jianhe to Liping Expressway Concession, Guizhou Province	100	635,694	–	–
Ziyuan (Meixi) to Xing'an Expressway Concession, Guangxi	100	481,500	–	–
Nanyu-Zhu Expressway Yuheng Section Concession, Guangxi	100	276,270	–	–
Wuxi to Zhenping Expressway (Chongqing Section)	100	223,860	–	–
Wuzhou-Leye Road (Yufeng to Yizhou Section) Concession	70	203,059	64,856	2.25
Anshun to Ziyun Expressway Concession, Guizhou Province	100	152,805	–	–
Western (Chongqing) Science City Beibei High-tech Industrial Park Comprehensive Development PPP Project (Phase I)	60	146,744	11,153	2.90
Others		1,254,373	205,574	
Total		5,494,921	432,200	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Goodwill

(1) Original costs

	Opening balance	Increase	Decrease	Exchange differences on translation of foreign operations	Closing balance
Acquisition of ALDESA Company *(Note 1)*	442,760	–	–	(25,182)	417,578
Acquisition of CIDEON Company *(Note 2)*	91,369	–	–	–	91,369
Others	43,128	–	–	–	43,128
Total	577,257	–	–	(25,182)	552,075

(2) Provision for impairment

	Opening balance	Increase	Decrease	Exchange differences on translation of foreign operations	Closing balance
Acquisition of ALDESA Company *(Note 1)*	442,760	–	–	(25,182)	417,578
Acquisition of CIDEON Company *(Note 2)*	78,880	–	–	–	78,880
Others	5,855	–	–	–	5,855
Total	527,495	–	–	(25,182)	502,313

Note 1: The goodwill of EUR54,670,000 was acquired in the business combination involving entities not under common control of GRUPO ALDESA, S. A. ("ALDESA Company") on 8 May 2020. For the six months ended 30 June 2026, the Group recognised accumulated impairment of the goodwill of EUR54,670,000.

Note 2: On 29 February 2016, the Group purchased CIDEON Engineering GmbH & Co.KG, CIDEON Engineering Verwaltungs GmbH and CIDEON Schweiz AG (collectively referred to as "CIDEON Company"), which is a business combination involving entities not under common control and resulted in the increase in goodwill by EUR11,710,000. For the six months ended 30 June 2026, the Group recognised accumulated impairment of the goodwill of EUR10,040,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities

(1) Deferred tax assets not offset

	30 June 2026		31 December 2025	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for long-term post–leaving benefits	48,545	9,735	50,409	10,108
Provision for impairment of credit and assets	47,806,247	9,422,414	46,628,843	9,193,380
Deductible tax losses	7,520,611	1,746,360	7,270,050	1,688,069
Lease liabilities	6,890,810	1,328,661	7,122,432	1,373,439
Revaluation surplus from restructuring	1,094,992	273,748	1,103,879	275,970
Unrealised profits of intra–group transactions	8,947,823	1,815,963	8,746,887	1,775,653
Changes in fair value of other equity instrument investments	153,774	38,360	117,285	29,237
Others	9,160,705	1,904,651	9,153,882	1,903,268
Total	81,623,507	16,539,892	80,193,667	16,249,124

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities (Continued)

(2) Deferred tax liabilities not offset

	30 June 2026		31 December 2025	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Right-of-use assets	6,609,622	1,334,321	6,965,735	1,408,092
Changes in fair value of other equity instrument investments	2,335,881	420,514	2,162,566	388,359
Asset appreciation from appraisal for business combinations involving entities not under common control	337,685	84,421	345,169	86,292
Book-tax temporary differences for revenue recognition	6,181,167	1,523,045	5,539,718	1,368,276
Others	3,953,839	827,609	4,717,998	1,001,610
Total	19,418,194	4,189,910	19,731,186	4,252,629

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities (Continued)

(3) Deferred tax assets or liabilities stated net of offsets:

	30 June 2026		31 December 2025	
	Offset amount between deferred tax assets and liabilities at the end of the period	**Closing balance of deferred tax assets or liabilities after offset**	Offset amount between deferred tax assets and liabilities at the beginning of the period	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	**2,425,744**	**14,114,148**	2,620,176	13,628,948
Deferred tax liabilities	**2,425,744**	**1,764,166**	2,620,176	1,632,453

(4) Details of unrecognised deferred tax assets

	30 June 2026	31 December 2025
Deductible temporary differences	**21,318,226**	20,283,312
Deductible tax losses	**32,970,717**	29,119,550
Total	**54,288,943**	49,402,862

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Deferred tax assets/liabilities (Continued)

(5) Maturity analysis of deductible losses of unrecognised deferred tax assets

	30 June 2026	31 December 2025
2026	**4,686,740**	4,713,302
2027	**4,293,116**	4,340,638
2028	**5,676,151**	5,875,063
2029	**5,625,845**	5,874,594
2030	**6,633,283**	7,091,820
2031	**5,277,547**	425,648
2032	**255,639**	294,077
2033	**275,950**	301,388
2034	**72,190**	82,734
2035	**120,286**	120,286
2036	**53,970**	–
Total	**32,970,717**	29,119,550

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets

	30 June 2026			31 December 2025		
	Gross carrying amount	**Provision for impairment**	**Carrying amount**	Gross carrying amount	Provision for impairment	Carrying amount
Retention receivables	**127,424,955**	**3,120,937**	**124,304,018**	121,038,726	3,015,051	118,023,675
Contract assets derived from primary land development receivables and other project receivables	**83,565,946**	**602,117**	**82,963,829**	77,416,384	578,945	76,837,439
Others	**19,371,045**	**177,248**	**19,193,797**	14,982,792	148,752	14,834,040
Subtotal	**230,361,946**	**3,900,302**	**226,461,644**	213,437,902	3,742,748	209,695,154
Less: Current portion of other non-current assets	**12,798,880**	**948,824**	**11,850,056**	14,003,434	1,124,906	12,878,528
Total	**217,563,066**	**2,951,478**	**214,611,588**	199,434,468	2,617,842	196,816,626

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

The provisions for retention receivables and impairment of contract assets are as follows:

30 June 2026

	Gross carrying amount		Provision for impairment of assets		
	Amount	Percentage (%)	Amount	Provision Percentage (%)	Carrying amount
Provision for impairment of assets assessed individually	6,372,205	3.02	2,301,646	36.12	4,070,559
Provision for impairment of assets assessed by credit risk portfolio	204,618,696	96.98	1,421,408	0.69	203,197,288
Total	210,990,901	100.00	3,723,054	1.76	207,267,847

31 December 2025

	Gross carrying amount		Provision for impairment of assets		
	Amount	Percentage (%)	Amount	Provision Percentage (%)	Carrying amount
Provision for impairment of assets assessed individually	5,790,688	2.92	2,212,621	38.21	3,578,067
Provision for impairment of assets assessed by credit risk portfolio	192,664,422	97.08	1,381,375	0.72	191,283,047
Total	198,455,110	100.00	3,593,996	1.81	194,861,114

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

Contract assets in other non-current assets with provision for impairment of assets assessed individually are as follows:

	30 June 2026				31 December 2025		
	Gross carrying amount	Provision for impairment of assets	Provision percentage (%)	Reason	Gross carrying amount	Provision for impairment of assets	Provision percentage (%)
Company 1	2,663,786	1,118,642	41.99	Low possibility of recoverability	2,666,154	1,156,107	43.36
Company 2	1,166,328	174,624	14.97	Low possibility of recoverability	1,203,478	180,186	14.97
Company 3	69,391	65,922	95.00	Low possibility of recoverability	69,391	69,391	100.00
Company 4	45,776	45,776	100.00	Low possibility of recoverability	45,776	45,776	100.00
Company 5	47,929	43,336	90.42	Low possibility of recoverability	47,929	43,336	90.42
Total	3,993,210	1,448,300	36.27		4,032,728	1,494,796	37.07

As at 30 June 2026 contract assets in other non-current assets whose allowance for credit losses were assessed by credit risk portfolio are as follows:

	Gross carrying amount	Provision for impairment of assets	Provision proportion (%)
Portfolio 1	157,184,350	1,019,843	0.65
Portfolio 2	10,887,094	51,015	0.47
Portfolio 3	8,664,220	55,957	0.65
Portfolio 4	27,883,032	294,593	1.06
Total	204,618,696	1,421,408	0.69

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Other non-current assets (Continued)

Movements of contract assets and provision for impairment of assets in other non-current assets are as follows:

	Opening balance of the current period	Provision for the period	Reversal	Others	Closing balance of current period
For the six months ended 30 June 2026	**3,593,996**	**315,977**	**(185,233)**	**(1,686)**	**3,723,054**

For the six months ended 30 June 2026, there were no significant reversals of impairment provisions for other non-current assets.

27. Assets with title restrictions

30 June 2026

	30 June 2026	31 December 2025	Reason
Cash and bank balances	**15,831,519**	16,795,619	Note
Accounts receivables	**4,958,964**	3,169,477	Pledged for loans
Inventories	**42,978,989**	47,819,227	Mortgaged for loans
Contract assets	**26,401,851**	30,556,164	Pledged for loans
Long-term receivables	**7,384,663**	10,583,097	Pledged for loans
Investment properties	**1,220,244**	2,391,756	Mortgaged for loans
Fixed assets	**1,842,381**	1,938,376	Mortgaged for loans
Construction in progress	**2,024,052**	1,321,430	Mortgaged for loans
Intangible assets	**153,389,127**	135,068,961	Pledged for loans/ Mortgaged for loans
Total	**256,031,790**	249,644,107	

Note: As of June 30, 2026, bank deposits amounting to RMB7,204,063,000(December 31, 2025: RMB6,828,730,000) were frozen, RMB3,972,728,000 (December 31, 2025: RMB4,971,888,000) were held as various types of guarantees, and RMB4,654,728,000 (December 31, 2025: RMB4,995,001,000) were reserved as central bank statutory deposits by financial companies.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Short-term loans

(1) Classification of short-term borrowings

	30 June 2026	31 December 2025
Credit loans	**219,659,695**	162,303,142
Pledged loans *(Note 1)*	**1,006,852**	3,027,000
Guaranteed loans *(Note 2)*	**2,286,780**	2,207,380
Mortgaged loans *(Note 3, Note 4, Note 5)*	**879,950**	1,331,950
Total	**223,833,277**	168,869,472

Note 1: As at 30 June 2026, short-term loans with a carrying amount of RMB1,006,852,000 (31 December 2025: RMB3,027,000,000) were secured by the pledge of the Group's trade receivables and future earnings right, as well as all the interests and gains under the contracts thereof with a carrying amount of RMB1,018,864,000 (31 December 2025: RMB3,028,268,000).

Note 2: As at 30 June 2026, all guaranteed loans were guaranteed by the entities comprising the Group (31 December 2025: all guaranteed loans were guaranteed by the entities comprising the Group).

Note 3: As at 30 June 2026, short-term loans with a carrying amount of RMB66,441,000 (31 December 2025: RMB66,441,000) were secured by the mortgage of the Group's fixed assets with a carrying amount of RMB39,737,000(31 December 2025: RMB42,052,000).

Note 4: As at 30 June 2026, short-term loans with a carrying amount of RMB480,509,000 (31 December 2025: RMB480,509,000) were secured by the mortgage of the Group's investment properties with a carrying amount of RMB154,269,000 (31 December 2025: RMB157,427,000).

Note 5: As at 30 June 2026, short-term loans with a carrying amount of RMB333,000,000 (31 December 2025: RMB785,000,000) were secured by the mortgage of the Group's inventories with a carrying amount of RMB2,073,742,000 (31 December 2025: 1,875,470,000).

As at 30 June 2026, annual interest rates of above short-term loans ranged from 0.53% to 7.11% (31 December 2025: 0.53% to 7.11%).

As at 30 June 2026, the Group had no overdue short-term loans (31 December 2025: Nil).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Due to customers

	30 June 2026	31 December 2025
Due to customers	**1,705,376**	1,872,095

30. Bills payable

	30 June 2026	31 December 2025
Commercial acceptance bills	**3,388,088**	4,562,182
Bank acceptance bills	**25,572,899**	32,561,987
Total	**28,960,987**	37,124,169

As at 30 June 2026, the Group had no unpaid overdue bills payable.

31. Trade payables

	30 June 2026	31 December 2025
Within 1 year	**562,052,277**	582,334,866
1 to 2 years	**8,239,618**	5,298,935
2 to 3 years	**2,840,479**	2,475,540
Over 3 years	**1,438,057**	1,278,343
Total	**574,570,431**	591,387,684

As at 30 June 2026, trade payables aged over one year amounted to RMB12,518,154,000 (31 December 2025: RMB9,052,818,000), primarily consisted of payables for construction contracts and materials. Since the progress of relevant projects had not reached the point of payments, these trade payables had not been settled.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Contract liabilities

(1) Presentation of contract liabilities

	30 June 2026	31 December 2025
Advances for construction operations	**86,318,069**	88,043,606
Advances for the sale of properties *(Note3)*	**32,922,611**	28,218,014
Advances for the sale of materials	**3,540,987**	2,554,105
Advances for the sale of goods	**1,190,319**	892,655
Others	**1,846,185**	1,297,110
Total	**125,818,171**	121,005,490

(2) Material contract liabilities with an account age of more than 1 year

	30 June 2026	Reasons
Company 1	**759,611**	Engineering work has not yet been verified and priced.
Company 2	**679,100**	Engineering work has not yet been verified and priced.
Company 3	**367,742**	Engineering work has not yet been verified and priced.
Company 4	**172,898**	Engineering work has not yet been verified and priced.
Company 5	**139,266**	Engineering work has not yet been verified and priced.
Total	**2,118,617**	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Contract liabilities (Continued)

(3) Advances for the sale of properties

Project name	30 June 2026	Percentage of pre-sales *(%)*	Estimated completion date
CRCC Huayu Shangcheng Project	1,508,679	52.64	July 2026
Shanghai Xinzhongshan Project	1,321,607	30.00	July 2027
Ningbo Wanglanfu Project	1,214,622	46.51	December 2026
Chengdu Jinyue Xu Project	1,196,111	12.18	September 2027
Hefei Huayu Jiangnan Project	1,076,798	41.12	December 2026
CRCC Chongqing Xipai Cheng Project	889,231	57.70	December 2027
Zizhu Yuan Project	867,907	42.00	July 2026
Tianjin Zhiye Wuchedi Project	795,793	62.09	March 2027
Xipai Tianhe Xu Project	780,389	60.78	December 2026
Xipai Lanting Project	754,373	40.94	February 2027
Chongqing Shanyu Taoyuan Project	717,931	75.26	December 2026
Puyue Yuncui Project	683,148	81.00	August 2026
CRCC Xipai Xuefu Project	679,548	70.00	November 2026
CRCC Huayu Tianjing Phase II	670,244	75.97	November 2026
Xipai Jingyue Project	618,584	48.54	December 2026
CRCC Guijiao Qinfeng Yasong Project	602,681	85.98	December 2026
CRCC Xipai Lanan Project	520,356	30.40	March 2027
CRCC Jiangyu Tianchen Project	556,273	75.11	January 2027
Xipai Tianzhu, Xipai Tianfeng Project	542,063	12.00	December 2026
CRCC Huayu Cheng Project	538,478	74.67	June 2027
Others	16,387,795		
Total	32,922,611		

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Employee benefits payable

(1) Employee benefits payable:

	1 January 2026	Accrued	Paid	30 June 2026
Short-term benefits	14,560,219	30,452,325	33,178,326	11,834,218
Post-employment benefits (defined contribution plans)	2,606,433	4,419,557	4,307,829	2,718,161
Total	17,166,652	34,871,882	37,486,155	14,552,379

(2) Short-term benefits:

	1 January 2026	Accrued	Paid	30 June 2026
Salaries, bonuses, allowances and subsidies	10,108,284	21,180,962	23,832,583	7,456,663
Staff welfare	–	1,724,260	1,724,260	–
Social insurance	1,630,529	2,088,219	2,005,517	1,713,231
Including: Medical insurance	1,449,470	1,864,574	1,793,906	1,520,138
Work injury insurance	145,006	190,023	180,724	154,305
Maternity insurance	36,053	33,622	30,887	38,788
Housing funds	1,219,885	2,178,962	2,144,209	1,254,638
Union fund and employee education fund	897,643	428,054	469,508	856,189
Others	703,878	2,851,868	3,002,249	553,497
Total	14,560,219	30,452,325	33,178,326	11,834,218

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Employee benefits payable (Continued)

(3) Defined contribution plan:

	1 January 2026	Accrued	Paid	30 June 2026
Basic pension insurance	1,801,162	3,387,958	3,281,810	1,907,310
Unemployment insurance	98,728	119,959	115,298	103,389
Supplementary pension insurance	706,543	911,640	910,721	707,462
Total	2,606,433	4,419,557	4,307,829	2,718,161

Defined contribution plan includes basic pension insurance and unemployment insurance managed by local governments and the Group's supplementary pension insurance. In addition to the monthly payments, the Group is no longer liable for further payments. Relevant expenditures are capitalised or expensed in the period when incurred.

34. Taxes payable

	30 June 2026	31 December 2025
VAT	1,833,356	3,069,175
EIT	2,937,643	3,670,441
Others	1,201,486	1,391,734
Total	5,972,485	8,131,350

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Other payables

	30 June 2026	31 December 2025
Dividends payable	6,067,502	1,334,087
Other payable	129,431,474	123,321,832
Total	135,498,976	124,655,919

(1) Information about natures of other payables

	30 June 2026	31 December 2025
Payables for advances	39,599,222	30,858,850
Guarantees and deposits	30,887,084	31,104,981
Amounts due to related parties	26,660,529	24,726,859
Amounts due to partners	6,656,023	6,075,445
Dividends payable	6,067,502	1,334,087
Others	25,628,616	30,555,697
Total	135,498,976	124,655,919

(2) Material other payables with an account age of more than 1 year or overdue

	30 June 2026	Reasons
Company 1	2,638,707	Payables not settled
Company 2	2,121,145	Payables not settled
Company 3	1,509,383	Payables not settled
Company 4	978,256	Payables not settled
Company 5	876,838	Payables not settled
Total	8,124,329	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. *Current portion of non-current liabilities*

	30 June 2026	31 December 2025
Current portion of long-term loans *(Note V. 38)*	**57,533,123**	57,814,773
Current portion of bonds payable *(Note V. 39)*	**20,293,608**	18,220,359
Current portion of lease liabilities *(Note V. 40)*	**2,149,703**	2,416,856
Current portion of long-term payables *(Note V. 41)*	**8,851,941**	9,061,669
Current portion of provisions	**179,157**	208,062
Current portion of post-employment benefits payable	**16,585**	20,299
Total	**89,024,117**	87,742,018

The current portion of long-term loans are as follows:

	30 June 2026	31 December 2025
Credit loans	**50,083,586**	46,421,215
Mortgaged loans *(Note V. 38 (Note 5, Note 6, Note 8, Note 9))*	**4,068,078**	4,633,371
Pledged loans *(Note V. 38 (Note 1, Note 2, Note 3, Note 4))*	**2,662,199**	4,240,896
Guaranteed loans *(Note V. 38 (Note 10))*	**719,260**	2,519,291
Total	**57,533,123**	57,814,773

37. *Other current liabilities*

	30 June 2026	31 December 2025
Amounts to be transferred to output VAT	**44,131,592**	46,217,856
Short-term unsecured financing bonds *(Note1)*	**–**	6,017,285
Others	**240,412**	696,895
Total	**44,372,004**	52,932,036

Note 1: Short-term unsecured financing bonds bear a fixed interest rate, with repayment of principal and interest at maturity.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Other current liabilities (Continued)

The movements of short-term unsecured financing bonds are listed as follows:

Bond name	Par value	coupon rate (%)	Issuance date	Bond term	Opening balance	Net amount of issuance during the period	Interests accrued	Amortisation of discounts and premium and effects of exchange rate	Repayment of principal and interest for the period	Closing balance	breach of contract
China Railway Construction Corporation Limited 2025 Annual First Phase Short-Term Commercial Paper	RMB3.0 billion	1.63%	17 October 2025	180 days	3,010,323	-	13,792	-	3,024,115	-	no
China Railway Construction Corporation Limited 2025 Annual Second Phase Short-Term Commercial Paper	RMB3.0 billion	1.54%	6 November 2025	180 days	3,006,962	-	15,822	-	3,022,784	-	no
Total					6,017,285	-	29,614	-	6,046,899	-	no

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term loans

	30 June 2026	31 December 2025
Credit loans	**222,980,443**	190,306,952
Pledged loans *(Note 1, Note 2, Note 3, Note 4)*	**128,979,313**	119,017,315
Mortgaged loans *(Note 5, Note 6, Note 7, Note 8, Note 9)*	**23,244,438**	21,947,419
Guaranteed loans *(Note 10)*	**4,428,543**	4,478,727
Total	**379,632,737**	335,750,413

As at 31 December 2025, the annual interest rate of long-term borrowings varied from 0.75% to 5.85% (31 December 2024: 0.75% to 6%).

Note 1: As at 30 June 2026, long-term loans with a carrying amount of RMB113,212,246,000 including current portion of long-term loans of RMB1,370,017,000 (31 December 2025: RMB101,128,793,000, including current portion of long-term loans of RMB1,645,202,000) were secured by pledge of the Group's concession rights with a carrying amount of RMB152,717,474,000 (31 December 2025: RMB134,750,448,000).

Note 2: As at 30 June 2026, long-term loans with a carrying amount of RMB7,547,930,000 including current portion of long-term loans of RMB582,490,000 (31 December 2025: RMB7,376,300,000, including current portion of long-term loans of RMB1,081,567,000) were secured by pledge of the Group's trade receivables and future earnings right, as well as all the interests and gains under the contracts thereof with a carrying amount of RMB9,320,750,000 (31 December 2025: RMB7,252,944,000).

Note 3: As at 30 June 2026, long-term loans with a carrying amount of RMB10,851,586,000 including current portion of long-term loans of RMB709,192,000 (31 December 2025: RMB14,723,118,000, including current portion of long-term loans of RMB1,513,627,005) were secured by pledges of the Group's contract assets of primary land development and other projects with a carrying amount of RMB26,401,851,000 (31 December 2025: the Group's contract assets of primary land development and other projects with a carrying amount of RMB30,556,164,000), and long-term receivables with a carrying amount of RMB7,384,663,000 (31 December 2025: RMB10,583,097,000).

Note 4: As at 30 June 2026, long-term loans with a carrying amount of RMB29,750,000 including current portion of long-term loans of RMB500,000 (31 December 2025: RMB30,000,000 including current portion of long-term loans of RMB500,000) were secured by pledges of the Group's intellectual property with a carrying amount of RMB30,000,000 (31 December 2025: RMB30,000,000).

Note 5: As at 30 June 2026, long-term loans with a carrying amount of RMB1,845,342,000 including current portion of long-term loans of RMB58,931,000 (31 December 2025: RMB975,592,000, including current portion of long-term loans of RMB59,037,000) were secured by mortgage of the Group's fixed assets with a carrying amount of RMB1,802,644,000 (31 December 2025: RMB1,896,324,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term loans (Continued)

Note 6: As at 30 June 2026, long-term loans with a carrying amount of RMB22,342,610,000 including current portion of long-term loans of RMB3,640,568,000 (31 December 2025: RMB22,506,109,000, including current portion of long-term loans of RMB4,467,344,000) were secured by mortgage of the Group's inventories with a carrying amount of RMB40,905,247,000 (31 December 2025: RMB45,943,757,000)

Note 7: As at 30 June 2026, long-term loans with a carrying amount of RMB1,704,942,000 (31 December 2025: RMB1,438,612,000) were secured by mortgage of the Group's construction in progress with a carrying amount of RMB2,024,052,000 (31 December 2025: RMB1,321,430,000).

Note 8: As at 30 June 2026, long-term loans with a carrying amount of RMB774,550,000 including current portion of long-term loans of RMB70,131,000 (31 December 2025: RMB979,889,000 including current portion of long-term loans of RMB70,131,000) were secured by mortgage of the Group's investment properties with a carrying amount of RMB1,065,975,000 (31 December 2025: RMB2,234,329,000).

Note 9: As at 30 June 2026, long-term loans with a carrying amount of RMB645,072,000 including current portion of long-term loans of RMB298,448,000 (31 December 2025: RMB680,588,000, including current portion of long-term loans of RMB36,859,000) were secured by mortgage of the Group's land use rights with a carrying amount of RMB641,653,000 (31 December 2025: RMB288,513,000).

Note 10: As at 30 June 2026, the guaranteed long-term loans, including current portion of long-term loans of RMB719,260,000 (31 December 2025: RMB2,519,291,000), were all internally guaranteed by the entities comprising the Group.

As at 30 June 2026, the Group had no overdue long-term loans (31 December 2025: Nil). The maturity profile of the long-term loans as at the end of the year is as follows:

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Long-term loans (Continued)

The maturity profile of the long-term loans as at the end of the year is listed as follows:

	30 June 2026	31 December 2025
Within one year or paid on demand *(Note V. 36)*	**57,533,123**	57,814,773
In the first to second year (inclusive)	**84,399,985**	74,488,260
In the second to fifth year (inclusive)	**135,205,051**	122,851,678
Over five years	**160,027,701**	138,410,475
Total	**437,165,860**	393,565,186

39. Bonds payable

(1) Bonds payable

	30 June 2026	31 December 2025
Bonds payable	**56,112,671**	57,555,686
Less: Current portion of bonds payable *(Note V. 36)*	**20,293,608**	18,220,359
Non-current portion of bonds payable	**35,819,063**	39,335,327

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable

As at 30 June 2026, balances of bonds payable are listed as follows:

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
CRCC Huayuan Limited Guaranteed Note due in 2027 with principal of RMB3,500 million and interest rate of 2.60% *(Note1)*	3,500,000	2.60%	25 September 2024	3years	3,500,000	3,522,020	–	45,102	667	45,126	3,522,663	No
China Railway Construction Corporation Limited – 2024 first issue of medium term note	3,000,000	2.28%	01 August 2024	10years	3,000,000	3,025,057	–	33,919	140	–	3,059,116	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of public placement corporate bonds to professional investors	2,996,500	2.58%	18 March 2022	3+2years	2,996,500	2,946,418	100,000	22,540	688	74,807	2,994,839	No
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	3,000,000	3.30%	17 January 2024	3+2years	3,000,000	2,482,356	590,000	48,824	469	77,979	3,043,670	No
CRCC Hean Limited Guaranteed Note due in 2026 with principal of EUR 300 million and interest rate of 0.875% *(Note 2)*	EUR 300 million	0.88%	20 May 2021	5years	EUR 300 million	2,483,175	–	7,466	(93,639)	2,397,002	–	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of medium term note	560,000	2.98%	09 January 2023	3+2years	560,000	2,273,842	560,000	8,919	(2,064)	2,275,430	565,267	No
CRCC Hean Limited Guaranteed Note due in 2026 with principal of USD300 million and interest rate of 1.875% *(Note 3)*	USD 300 million	1.88%	20 May 2021	5years	USD 300 million	2,112,543	–	14,759	(56,155)	2,071,147	–	No
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of public placement corporate bonds to professional investors	2,480,000	3.20%	10 March 2023	3+2years	2,480,000	1,885,042	2,240,000	41,167	3,641	1,662,229	2,507,621	No
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of medium term note	2,000,000	3.25%	02 March 2021	3+2years	2,000,000	2,039,400	–	26,722	(1,122)	2,065,000	–	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of medium term note	1,760,000	2.38%	27 June 2022	3+2years	1,760,000	1,801,630	–	21,074	(1,848)	41,888	1,778,968	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of public placement corporate bonds to professional investors	1,699,900	2.79%	25 March 2022	3+2years	1,699,900	1,711,892	20,000	23,742	387	46,897	1,709,124	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety II)	1,700,000	2.57%	26 July 2024	30years	1,700,000	1,717,885	–	21,665	13	–	1,739,563	No
China Railway Construction Real Estate Group Co., Ltd. – 2021 first issue of public placement corporate bonds to professional investors	1,300,000	3.68%	22 January 2021	3+2years	1,300,000	1,347,796	–	2,392	(2,348)	1,347,840	–	No
China Railway Construction Real Estate Group Co., Ltd. – 2021 second issue of public placement corporate bonds to professional investors	1,300,000	3.55%	03 February 2021	3+2years	1,300,000	1,344,344	–	3,718	(1,912)	1,346,150	–	No
China Railway Construction Corporation Limited – 2024 first issue of public placement technology innovation corporate bonds to professional investors (variety I)	1,300,000	2.49%	26 July 2024	20years	1,300,000	1,313,246	–	16,052	16	–	1,329,314	No
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of green medium term note	1,300,000	2.39%	17 July 2023	3+2years	1,300,000	1,320,058	–	23,399	239	–	1,343,696	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2024 first issue of medium term note	1,500,000	3.00%	26 February 2024	3+2years	1,500,000	1,239,482	290,000	21,667	158	36,746	1,514,561	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 second issue of medium term note	1,100,000	2.36%	15 July 2022	3+2years	1,100,000	1,110,956	–	13,052	336	–	1,124,344	No
China Railway Construction Real Estate Group Co., Ltd. – 2021 third issue of public placement corporate bonds to professional investors	1,110,000	2.50%	01 September 2021	3+2years	1,110,000	1,121,631	–	15,125	4,664	–	1,141,420	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 fourth issue of public placement corporate bonds to professional investors	1,390,000	2.49%	18 May 2022	3+2years	1,390,000	1,410,172	–	17,774	475	34,611	1,393,810	No
China Railway Construction Investment Group Co., Ltd. – 2024 first issue of public placement corporate bonds to professional investors	1,000,000	2.40%	10 October 2024	5+5years	1,000,000	1,005,620	–	6,000	24	–	1,011,644	No
China Railway Construction Real Estate Group Co., Ltd. – 2024 second issue of medium term note	1,000,000	3.20%	07 March 2024	3+2years	1,000,000	1,025,069	–	16,089	144	32,000	1,009,302	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
CRCC Kunlun Investment Group Co., Ltd.- 2024 first issue of medium term note	700,000	2.48%	21 August 2024	10years	700,000	703,143	–	8,588	177	–	711,908	No
China Railway Construction Investment Group Co., Ltd. – 2020 first issue of public placement Corporate bond (variety II)	600,000	2.1%	11 March 2020	5+2years	600,000	609,518	–	3,150	128	–	612,796	No
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of green medium term note	700,000	2.95%	10 April 2023	3+2years	700,000	716,164	540,000	11,549	2,794	564,850	705,657	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 first issue of targeted placement notes	500,000	2.85%	06 January 2022	3+2years	500,000	515,549	–	7,165	164	14,250	508,628	No
China Railway Construction Real Estate Group Co., Ltd. – 2023 first issue of targeted placement notes	500,000	3.30%	22 March 2023	3+2years	500,000	509,796	320,000	9,208	107	339,500	499,611	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of medium term note	400,000	2.20%	24 August 2022	3+2years	400,000	400,508	–	4,424	328	–	405,260	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2023 second issue of targeted placement notes	500,000	2.46%	04 July 2023	3+2years	500,000	503,947	–	8,955	95	–	512,997	No
China Railway Construction Real Estate Group Co., Ltd.- 2024 third issue of medium term note	500,000	2.53%	05 June 2024	3+2years	500,000	320,002	190,000	5,264	73	8,953	506,386	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 third issue of public placement corporate bonds to professional investors	300,000	2.79%	25 March 2022	3+2years	300,000	295,764	10,000	4,152	74	8,106	301,884	No
China Railway Construction Real Estate Group Co., Ltd. – 2022 fifth issue of public placement corporate bonds to professional investors (variety II)	500,000	3.68%	27 May 2022	5years	500,000	275,873	230,000	8,232	136	12,558	501,683	No
China Railway Construction Real Estate Group Co., Ltd.- 2025 first issue of medium term note	700,000	2.60%	20 February 2025	3+2years	700,000	715,630	–	9,183	174	18,200	706,787	No
China Railway Construction Real Estate Group Co., Ltd.- 2025 second issue of medium term note	900,000	2.89%	06 March 2025	3+2years	900,000	787,638	130,000	12,235	6	22,159	907,720	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd.- 2025 third issue of medium term note	770,000	2.68%	03 April 2025	3+2years	770,000	784,746	–	10,389	4	20,636	774,503	No
China Railway Construction Real Estate Group Co., Ltd. – 2025 first issue of public placement corporate bonds to professional investors	720,000	2.47%	25 June 2025	3+2years	720,000	728,229	–	8,876	2	17,784	719,323	No
China Railway Construction Real Estate Group Co., Ltd.- 2025 fourth issue of medium term note	700,000	2.58%	09 May 2025	3+2years	700,000	711,042	–	9,112	6	18,060	702,100	No
China Railway 11th Bureau Group Co., Ltd.- 2025 second issue of technology innovation bonds	1,000,000	2.45%	13 October 2025	5years	1,000,000	1,004,822	–	12,149	44	–	1,017,015	No
China Railway 11th Bureau Group Co., Ltd.- 2025 third issue of technology innovation bonds	500,000	2.43%	22 October 2025	5years	500,000	502,089	–	6,025	21	–	508,135	No
China Railway 11th Bureau Group Co., Ltd.- 2025 fourth issue of technology innovation bonds	500,000	2.34%	29 October 2025	5years	500,000	501,777	–	5,802	22	–	507,601	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd. – 2025 second issue of public placement corporate bonds to professional investors	1,220,000	2.39%	11 July 2025	3+2years	1,220,000	1,226,342	–	14,689	2	–	1,241,033	No
China Railway Construction Real Estate Group Co., Ltd. – 2025 third issue of public placement corporate bonds to professional investors	790,000	2.51%	09 September 2025	3+2years	790,000	793,805	–	10,002	–	–	803,807	No
China Railway Construction Real Estate Group Co., Ltd. – 2025 fourth issue of public placement corporate bonds to professional investors	700,000	2.52%	18 September 2025	3+2years	700,000	703,486	–	8,928	–	–	712,414	No
CRCC Huayuan Limited Guaranteed Note due in 2030 with principal of RMB3,000 million and interest rate of 2.18% *(Note4)*	3,000,000	2.18%	11 November 2025	5years	3,000,000	3,004,219	–	32,553	470	32,430	3,004,812	No
CRCC Huayuan Limited Guaranteed Note due in 2035 with principal of RMB1,000 million and interest rate of 2.60% *(Note5)*	1,000,000	2.60%	11 November 2025	10years	1,000,000	1,001,963	–	12,941	73	12,893	1,002,084	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Real Estate Group Co., Ltd.- 2026 first issue of medium term note	1,010,000	2.43%	09 February 2026	1years	1,010,000	–	1,010,000	9,319	(45)	(294)	1,019,568	No
China Railway Construction Real Estate Group Co., Ltd. – 2026 first issue of public placement corporate bonds to professional investors	2,010,000	2.76%	10 March 2026	2years	2,010,000	–	2,010,000	17,520	(1,291)	–	2,026,229	No
China Railway Construction Investment Group Co., Ltd. – 2026 first issue of medium term note(variety I)	350,000	1.76%	11 May 2026	3years	350,000	–	350,000	(297)	(500)	–	349,203	No
China Railway Construction Investment Group Co., Ltd. – 2026 first issue of medium term note(variety II)	350,000	1.95%	11 May 2026	5years	350,000	–	350,000	(329)	–	–	349,671	No
China Railway Construction Investment Group Co., Ltd. – 2026 third issue of medium term note(variety I)	700,000	2.01%	16 June 2026	5years	700,000	–	700,000	(83)	(500)	–	699,417	No
China Railway Construction Corporation Limited – 2026 first issue of public placement technology innovation corporate bonds to professional investors (variety I)	2,000,000	2.37%	25 May 2026	15years	2,000,000	–	2,000,000	4,675	(1,075)	–	2,003,600	No

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

	Par value	Annual interest rate	Issue date	Maturity	Amount	Opening balance	Amount issued	Interest accrued in the period	Discount or premium amortisation and exchange effects	Principal and interest paid in the period	Closing balance	breach of contract
China Railway Construction Corporation Limited – 2026 first issue of public placement technology innovation corporate bonds to professional investors (variety II)	1,000,000	2.49%	25 May 2026	20years	1,000,000	–	1,000,000	2,456	(539)	–	1,001,917	No
Total						57,555,686	12,640,000	707,999	(146,077)	14,644,937	56,112,671	

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Bonds payable (Continued)

(2) Details of bonds payable (Continued)

Note 1: The 3-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 2: The 5-year EUR bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, yearly interest payment and principal repayment at maturity.

Note 3: The 5-year USD bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 4: The 5-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Note 5: The 10-year RMB bonds issued by the Group's overseas subsidiary in the international market are guaranteed by the Company, with fixed interest rate, half-yearly interest payment and principal repayment at maturity.

Besides the long term bonds mentioned above, others were general corporate bonds issued on Shanghai Stock Exchange, and unsecured medium-term Notes, non-public directional debt financing instruments issued in National Association of Financial Market Institutional Investors. The relevant long term bonds were with fixed interest rates, interest repayment based on scheduled repayment dates and principal repayment at maturity. For certain bonds, at the end of third year or the fifth year, issuer have right to adjust coupon rate and redeem, and investor have right to put back option

40. Lease liabilities

	30 June 2026	31 December 2025
Lease liabilities	**8,037,651**	8,538,017
Less: Total current portion of lease liabilities *(Note V. 36)*	**2,149,703**	2,416,856
Total non-current portion of lease liabilities	**5,887,948**	6,121,161

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Lease liabilities (Continued)

(1) An maturity analysis of lease liabilities is listed as follow:

	30 June 2026	31 December 2025
Due within one year	**2,149,703**	2,416,856
Due within one to two years (included two years)	**1,372,374**	1,384,158
Due within three to five years (included three and five years)	**1,874,866**	1,959,106
Over five years	**2,640,708**	2,777,897
Total	**8,037,651**	8,538,017

41. Long-term payables

	30 June 2026	31 December 2025
Long-term payables	**62,287,058**	66,940,770
Special payables	**284,422**	286,655
Total	**62,571,480**	67,227,425
Less: Current portion of long-term payables *(Note V. 36)*	**8,851,941**	9,061,669
Total non-current portion of long-term payables	**53,719,539**	58,165,756

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Long-term payables (Continued)

(1) Information about nature of long-term payables

	30 June 2026	31 December 2025
Retention payables and long-term project payables	**51,333,036**	54,380,332
Payables for specific items	**4,754,431**	4,819,171
Others	**6,199,591**	7,741,267
Total	**62,287,058**	66,940,770
Less: Current portion of long-term payables *(Note V. 36)*	**8,851,941**	9,061,669
Total non-current portion of long-term payables	**53,435,117**	57,879,101

(2) An maturity analysis of long-term payables is listed as follow:

	30 June 2026	31 December 2025
Due within one year	**8,851,941**	9,061,669
Due within one to two years (included two years)	**35,089,435**	36,685,230
Due within two to five years (included five years)	**12,847,324**	15,336,773
Over five years	**5,498,358**	5,857,098
Total	**62,287,058**	66,940,770

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Share capital

	1 January 2026	Increase	Decrease	30 June 2026
Unrestricted shares				
RMB ordinary shares	11,503,246	–	–	11,503,246
Overseas listed foreign shares	2,076,296	–	–	2,076,296
Total	13,579,542	–	–	13,579,542

43. Other equity instruments

		1 January 2026	Increase	Decrease	30 June 2026
2019 and 2020 renewable loans	*Note 1*	19,200,000	–	–	19,200,000
2024 renewable corporate bonds	*Note 2*	16,489,155	–	–	16,489,155
2022 renewable corporate bonds	*Note 3*	2,298,626	–	–	2,298,626
2021 renewable corporate bonds	*Note 4*	4,297,248	–	1,299,337	2,997,911
2023 renewable corporate bonds	*Note 5*	4,196,933	–	999,382	3,197,551
2023 medium-term notes Phase I	*Note 6*	2,995,466	–	–	2,995,466
2025 renewable corporate bonds	*Note 7*	12,646,281	–	–	12,646,281
2025 medium-term notes Phase I	*Note 8*	1,798,679	–	–	1,798,679
2025 medium-term notes Phase II	*Note 9*	2,198,587	–	–	2,198,587
2026 medium-term notes Phase I	*Note 10*	–	2,500,000	–	2,500,000
2026 renewable corporate bonds	*Note 11*	–	6,000,000	–	6,000,000
Total		66,120,975	8,500,000	2,298,719	72,322,256

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 1: In 2019 and 2020, the Company entered into renewable loans contracts with an aggregate principal amount of RMB35,600,000,000. Pursuant to the terms of these renewable loans contracts, the Company has the option to redeem the renewable loans at the expiration of 5 years or 7 years or 10 years since the investment principal transfer date, if no redemption requested at the time point mentioned above, the investment term of the relevant investment principal will be continued, the Company will have option to request for redemption before three months at the expiration date of 1 year or 3 years. The nominal interest rate of the renewable loans mentioned above in the first loan term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent loan terms is adjusted as the current prime interest rate plus initial spread plus 100 or 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The loans are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the loans did not satisfy the definition of financial liabilities, and recognised the renewable loans as other equity instruments. In 2025、2022 and 2021, the Company redeemed part of the above renewable loans, the principal redeemed amounted to RMB16,400,000,000.

Note 2: From June to November 2024, the Company issued renewable bonds with an aggregate principal amount of RMB16,500,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB16,489,155,000, net of the relevant expenses of issuance of RMB10,845,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 3: On April 2022, July 2022, and December 2022, the Company issued renewable bonds respectively with an aggregate principal amount of RMB11,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 or 310 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB10,993,335,000, net of the relevant expenses of issuance of RMB6,665,000.In 2025, the Company redeemed a portion of the above-mentioned perpetual bonds, with the redemption principal amounting to RMB8,700,000,000.The difference of RMB5,291,000 between the principal repaid and the carrying amount was credited to the capital reserve.

Note 4: On June 2021, November 2021, and December 2021, the Company issued renewable bonds respectively with an aggregate principal amount of RMB9,600,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB9,593,972,000, net of the relevant expenses of issuance of RMB6,028,000. In 2024, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB5,300,000,000. The differences between redeemed principal and the carrying amount of RMB3,276,000 are included in capital reserve. In 2026, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB1,300,000,000. The differences between redeemed principal and the carrying amount of RMB663,000 are included in capital reserve.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 5: On June 2023 and December 2023, the Company issued renewable bonds respectively with an aggregate principal amount of RMB4,200,000,000. Pursuant to the terms of the renewable bonds, for the phase-I renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points; for the phase-II renewable bond, the nominal interest rate in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 200 basis points. The maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB4,196,933,000, net of the relevant expenses of issuance of RMB3,067,000. In 2026, the Company redeemed part of the above renewable bonds, the principal redeemed amounted to RMB1,000,000,000. The differences between redeemed principal and the carrying amount of RMB618,000 are included in capital reserve.

Note 6: On September 2023, the Company issued medium-term notes with an aggregate principal amount of RMB3,000,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 300 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At the third or each interest payment date thereafter of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,995,466,000, net of the relevant expenses of issuance of RMB4,534,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 7: On April 2025, and May 2025, the Company issued renewable bonds respectively with an aggregate principal amount of RMB12,650,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB12,646,281,000, net of the relevant expenses of issuance of RMB3,719,000.

Note 8: On March 2025, the Company issued medium-term notes with an aggregate principal amount of RMB1,800,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At each interest reset date of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB1,798,679,000, net of the relevant expenses of issuance of RMB1,321,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Other equity instruments (Continued)

Note 9: On June 2025, the Company issued medium-term notes with an aggregate principal amount of RMB2,200,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At each interest reset date of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,198,587,000, net of the relevant expenses of issuance of RMB1,413,000.

Note 10: On January 2026, the Company issued medium-term notes with an aggregate principal amount of RMB2,500,000,000. Pursuant to the terms of the medium-term notes, the nominal interest rate of the medium-term notes in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest at each interest payment date of the medium-term notes, and is not subject to any restrictions as to the number of times the distribution can be deferred. At each interest reset date of the medium-term notes, the Company has option to redeem the current medium-term notes based on the nominal value plus interest payable (including all deferred payment of interest or interest accrued thereon). The medium-term notes are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the medium-term notes did not satisfy the definition of financial liabilities, and recognised the medium-term notes as other equity instruments with the net proceeds from the issuance amounting to RMB2,500,000,000.

Note 11: On March 2026, and June 2026, the Company issued renewable bonds respectively with an aggregate principal amount of RMB6,000,000,000. Pursuant to the terms of the renewable bonds, the nominal interest rate of the renewable bonds in the first term is the initial prime interest rate plus initial spread, while the nominal interest rate in the subsequent bond terms is adjusted as the current prime interest rate plus initial spread plus 150 basis points, the maximum nominal interest rate has not exceeded the average level of interest rate of the instruments with similar type and industry during the same period. At the end of each term, the Company has option to extend one period of the above renewable bonds, or to redeem the bonds in full amount. As long as the compulsory interest payment events have not occurred, the Company may, at its sole discretion, elect to defer the distribution of interest, and is not subject to any restrictions as to the number of times the distribution can be deferred. The renewable bonds are subordinated to the issuer's general debts upon bankruptcy liquidation. According to the above terms, the Company has no contractual obligation to deliver cash or other financial assets to the holders. The Company considered that the renewable bonds did not satisfy the definition of financial liabilities, and recognised the renewable bonds as other equity instruments with the net proceeds from the issuance amounting to RMB6,000,000,000.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Capital reserve

	1 January 2026	Increase	Decrease	30 June 2026
Share premium	46,074,530	–	84,265	45,990,265
Relocation compensation granted by government	160,961	–	–	160,961
Others	(118,690)	–	9,910	(128,600)
Total	46,116,801	–	94,175	46,022,626

45. Other comprehensive income

Accumulated balances of other comprehensive income attributable to owners of the Company in the consolidated statement of financial position:

For the six months ended 30 June 2026:

	1 January 2026	Increase/ (decrease)	30 June 2026
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	130,056	(16,003)	114,053
Changes in fair value of other debt investments	(173,185)	98,121	(75,064)
Effect of deferred tax from changes in fair value of other debt investments	43,644	(24,530)	19,114
Changes in fair value of other equity instrument investments	1,534,226	168,887	1,703,113
Effect of deferred tax from changes in fair value of other equity instrument investments	(322,033)	(23,032)	(345,065)
Changes in fair value of receivables at FVTOCI	(2,611)	775	(1,836)
Effect of deferred tax from changes in fair value of receivables at FVTOCI	(162)	(108)	(270)
Exchange differences on translation of foreign operations	(2,180,383)	(76,070)	(2,256,453)
Other comprehensive income carried to retained earnings	(221,636)	(334,353)	(555,989)
Remeasurement gains or losses of a defined benefit plan	(116,658)	–	(116,658)
Total	(1,308,742)	(206,313)	(1,515,055)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

For the year ended 31 December 2025:

	1 January 2025	Increase/ (decrease)	31 December 2025
Other comprehensive income to be reclassified to profit or loss in subsequent periods, share of other comprehensive income of investee, under the equity method	301,747	(171,691)	130,056
Changes in fair value of other debt investments	1,994	(175,179)	(173,185)
Effect of deferred tax from changes in fair value of other debt investments	(151)	43,795	43,644
Changes in fair value of other equity instrument investments	1,301,441	232,785	1,534,226
Effect of deferred tax from changes in fair value of other equity instrument investments	(259,858)	(62,175)	(322,033)
Changes in fair value of receivables at FVTOCI	(6,602)	3,991	(2,611)
Effect of deferred tax from changes in fair value of receivables at FVTOCI	610	(772)	(162)
Exchange differences on translation of foreign operations	(2,340,070)	159,687	(2,180,383)
Other comprehensive income carried to retained earnings	(188,493)	(33,143)	(221,636)
Remeasurement gains or losses of a defined benefit plan	(116,396)	(262)	(116,658)
Total	(1,305,778)	(2,964)	(1,308,742)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

Other comprehensive income in the statement of profit or loss:

For the six months ended 30 June 2026:

	Other comprehensive income before tax	Less: Income tax effect	Less: Other comprehensive income carried to retained earnings	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss					
Changes in fair value of other equity instrument investments	219,579	23,032	334,353	(188,498)	50,692
Other comprehensive income to be reclassified to profit or loss					
Share of other comprehensive income of the investee under the equity method	(16,003)	–	–	(16,003)	–
Changes in fair value of other debt investments	104,444	26,111	–	73,591	4,742
Changes in fair value of receivables at FVTOCI	933	108	–	667	158
Exchange differences on translation of foreign operations	(91,419)	–	–	(76,070)	(15,349)
Subtotal	217,534	49,251	334,353	(206,313)	40,243

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income (Continued)

For the year ended 31 December 2025:

	Other comprehensive income before tax	Less: Income tax effect	Less: Other comprehensive income carried forward to retained earnings	Attributable to owners of the Company	Attributable to non-controlling interests
Other comprehensive income not to be reclassified to profit or loss					
Changes in fair value of other equity instrument investments	242,647	62,175	33,143	137,467	9,862
The change in the net liability arising from the remeasurement of the defined benefit plan	460	722	–	(262)	–
Other comprehensive income to be reclassified to profit or loss					
Share of other comprehensive income of the investee under the equity method	(171,691)	–	–	(171,691)	–
Changes in fair value of other debt investments	(188,989)	(47,247)	–	(131,384)	(10,358)
Changes in fair value of receivables at FVTOCI	5,200	772	–	3,219	1,209
Exchange differences on translation of foreign operations	148,080	–	–	159,687	(11,607)
Subtotal	35,707	16,422	33,143	(2,964)	(10,894)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Special reserve

	1 January 2026	Increase	Decrease	30 June 2026
Production safety expenses	–	8,023,087	8,023,087	–

47. Surplus reserve

	1 January 2026	Increase	Decrease	30 June 2026
Statutory surplus reserve	6,789,771	–	–	6,789,771

In accordance with the Company Law and the Company's articles of association, the Company appropriated 10% of the net profit to the surplus reserve, which is limited to 50% of the Company's registered capital.

The Company and certain of its subsidiaries are authorised to allocate the discretionary surplus reserve from profit after tax after the allocation of the statutory reserve. Upon approval, the discretionary surplus reserve can be used to offset previous years' losses or increase the share capital.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. *Retained earnings*

	For the six months ended 30 June 2026	2025
Retained earnings at the beginning of the period/year	**208,988,093**	197,055,973
Net profit attributable to owners of the Company	**8,689,842**	18,362,618
Less: Cash dividend declared for ordinary shares *(Note 1)*	**4,073,862**	4,073,862
Interest distributed to other equity instruments holders *(Note 2)*	**1,180,535**	2,389,779
Others	**334,353**	33,143
Retained earnings at the end of the period/year	**212,757,891**	208,988,093

Note 1: In accordance with the resolution at the 2025 annual general meeting of shareholders on 26 June 2026, the Company declared a cash dividend for the six months ended 30 June 2026 of RMB0.30 per share (2025: RMB0.30 per share), which amounted to RMB4,073,862,000 (2025:RMB4,073,862,000) based on 13,579,541,500 ordinary shares in issue. The above dividend has not been paid after the general meeting of shareholders.

Note 2: For the six months ended 30 June 2026, the Company accrued interest on other equity instruments holders amounting to RMB1,180,535,000 (2025: RMB2,389,779,000).

49. *Revenue and cost of sales*

(1) Revenue and cost of sales

	For the six months end 30 June 2026		For the six months end 30 June 2025	
	Revenue	Cost of sales	Revenue	Cost of sales
Revenue from principal operations	**424,251,275**	**385,430,843**	484,829,067	442,686,265
Other operating revenue	**4,186,699**	**3,341,102**	4,369,978	3,251,466
Total	**428,437,974**	**388,771,945**	489,199,045	445,937,731

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(2) Disaggregation of revenue

For the six months end 30 June 2026:

Operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	13,200,842	9,150,073	573,377	9,479,920	32,404,212
Over time	385,013,025	–	–	5,742,750	4,152,050	394,907,825
Revenue arising from leases	–	51,428	147,899	36,919	889,691	1,125,937
Total	385,013,025	13,252,270	9,297,972	6,353,046	14,521,661	428,437,974

For the six months end 30 June 2025:

operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of revenue recognition						
A point in time	–	20,677,313	9,004,089	693,501	17,114,535	47,489,438
Over time	430,364,856	–	–	6,015,377	4,193,861	440,574,094
Revenue arising from leases	–	78,092	319,198	28,970	709,253	1,135,513
Total	430,364,856	20,755,405	9,323,287	6,737,848	22,017,649	489,199,045

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(3) Disaggregation of cost of sales

For the six months end 30 June 2026:

operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of cost of sales recognition						
A point in time	-	12,370,696	7,009,055	381,312	7,359,575	27,120,638
Over time	354,878,477	-	-	3,278,836	2,482,555	360,639,868
Cost arising from leases	-	66,318	94,939	18,745	831,437	1,011,439
Total	354,878,477	12,437,014	7,103,994	3,678,893	10,673,567	388,771,945

For the six months end 30 June 2025:

operating segments	Construction operations	Real estate development operations	Manufacturing operations	Plan, design and consultancy operations	Other business operations	Total
Timing of cost of sales recognition						
A point in time	–	18,612,888	6,675,480	488,185	14,930,489	40,707,042
Over time	397,960,040	–	–	3,549,997	2,804,409	404,314,446
Cost arising from leases	–	66,177	194,750	17,988	637,328	916,243
Total	397,960,040	18,679,065	6,870,230	4,056,170	18,372,226	445,937,731

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Revenue and cost of sales (Continued)

(4) Performance obligation

Revenue from:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Contract liabilities at the beginning of the period	**75,031,880**	71,354,342

The construction services provided by the Group are mainly identified as single performance obligation and met the criteria of performance obligation performed over time. As at 30 June 2026, for the construction services in progress, the transaction prices allocated to their unsatisfied (including partially unsatisfied) performance obligations are based on their performance progress over the relevant construction contract periods and would be recognised as revenue based on their performance progress in future construction contract periods.

50. Taxes and surcharges

	For the six months end 30 June 2026	For the six months end 30 June 2025
CCT	**370,997**	405,916
Property tax	**199,205**	180,531
Stamp duty	**319,111**	320,317
Others	**587,901**	566,762
Total	**1,477,214**	1,473,526

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. *Selling and distribution expenses*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Employee compensation costs	**1,185,961**	1,389,849
Advertising and publicity expenses	**575,909**	780,171
Others	**508,403**	542,148
Total	**2,270,273**	2,712,168

52. *General and administrative expenses*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Employee compensation costs	**5,871,721**	6,955,964
Depreciation expenses of fixed assets	**420,509**	506,321
Office, travelling and transportation expenses	**408,716**	435,423
Others	**1,177,372**	1,341,995
Total	**7,878,318**	9,239,703

53. *Research and development expenses*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Employee compensation costs and material costs	**6,172,996**	7,516,476

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. *Finance costs*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Interest expenses	**8,825,591**	8,453,397
Less: Interest income	**2,144,021**	1,826,595
Less: Interest capitalised	**2,272,677**	2,657,990
Exchange gains	**1,052,110**	(855,163)
Bank charges and others	**1,038,485**	1,151,796
Total	**6,499,488**	4,265,445

The amount of capitalised interest had been included in construction in progress (Note V. 21), intangible assets (Note V. 23) and the balances of properties under development (Note V. 8 (3)).

55. *Investment Income/(losses)*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Share of income/(losses) of long-term equity investments under the equity method	**851,591**	(532,139)
Investment income/(losses) from disposal of long-term equity investments	**155,367**	(2,359)
Losses from derecognition of financial assets measured at amortised cost	**(1,097,724)**	(738,859)
Investment income from holding other equity instrument investments	**19,688**	60,201
Investment income from holding and disposal of held-for-trading financial assets and other financial assets	**432,679**	309,944
Investment income from holding debt investments	**61,185**	77,959
Others	**158,898**	113,796
Total	**581,684**	(711,457)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. *Impairment of credit losses*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Losses from impairment of receivables	(1,197,311)	(1,627,623)
Reversal of impairment/(Losses from impairment) on loans customers	3,896	(21,450)
Total	(1,193,415)	(1,649,073)

57. *Impairment losses on assets*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Losses from impairment of contract assets	(1,050,331)	(601,267)
Losses from decline in value of inventories	(1,543,619)	(122,303)
Others	(26,835)	(33,102)
Total	(2,620,785)	(756,672)

58. *Non-operating income*

	For the six months end 30 June 2026	For the six months end 30 June 2025	Non- recurring profit or loss of the period
Government grants	14,313	18,062	14,313
Gains on compensation, penalties and fines	154,320	189,384	154,320
Approved unpayable balances	47,382	284,662	47,382
Gain on Disposal of Non-current Assets	21,954	14,034	21,954
Others	133,840	96,273	133,840
Total	371,809	602,415	371,809

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Non-operating income (Continued)

Government grants credited to profit or loss for the period are listed as follows:

Subsidy nature	For the six months end 30 June 2026	For the six months end 30 June 2025	Related to assets/income
Enterprise development funds	88,433	135,176	Related to income
Refund of taxes	1,600	19,575	Related to income
Others	114,007	97,324	Related to assets/ income
Total	204,040	252,075	
Including: Other income	189,727	234,013	
Non-operating income	14,313	18,062	

59. Non-operating expenses

	For the six months end 30 June 2026	For the six months end 30 June 2025	Non- recurring profit or loss of the period
Loss on compensation, penalties and fines	208,724	283,682	208,724
Donations	27,900	3,500	27,900
Loss on retirement of non-current assets	55,837	48,683	55,837
Others	66,813	32,276	66,813
Total	359,274	368,141	359,274

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. *Costs and expenses classified by nature*

Supplementary information of the Group's costs of sales, selling and distribution expenses, general and administrative expenses, research and development expenses categorised by nature is listed as follows:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Cost of services rendered	**326,163,267**	367,932,935
Cost of goods sold	**25,986,030**	39,633,554
Employee benefits	**34,871,882**	36,760,816
Depreciation expenses on fixed assets *(Note V. 20)*	**8,188,813**	10,171,396
Depreciation expenses on right-of-use assets *(Note V. 22)*	**1,376,710**	1,399,120
Amortisation expenses on intangible assets *(Note V. 23)*	**1,929,423**	1,058,618
Depreciation expenses on investment properties *(Note V. 19)*	**261,972**	273,956
Others	**6,315,435**	8,175,683
Total	**405,093,532**	465,406,078

61. *Income tax expenses*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Current tax expenses	**2,972,378**	3,233,219
Deferred tax expenses	**(390,465)**	(441,716)
Total	**2,581,913**	2,791,503

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Income tax expenses (Continued)

A reconciliation of the income tax expense applicable to profit before tax is listed as follows:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Profit before tax	**12,102,399**	15,353,454
Income tax at the statutory income tax rate *(Note)*	**3,025,600**	3,838,364
Tax effect of preferential tax rates for some subsidiaries	**(830,252)**	(1,034,286)
Tax effect of share of profits and losses of joint ventures and associates	**(212,897)**	133,035
Effect of non-taxable income	**(125,920)**	(164,718)
Effect of non-deductible expenses	**65,395**	48,423
Effect of utilisation of deductible tax losses previously not recognised	**(62,866)**	(28,288)
Effect of utilisation of deductible temporary differences previously not recognised	**(74,229)**	(62,908)
Tax preference for qualifying research and development expenses	**(554,603)**	(671,295)
Effects of deductible losses not recognised as deferred tax assets in the current period	**1,091,339**	687,112
Effects of deductible temporary differences not recognised as deferred tax assets in the current period	**282,313**	268,274
Adjustments in respect of current income tax of previous periods	**175,289**	(33,450)
Interest on perpetual bonds deductible before tax	**(202,526)**	(199,070)
Others	**5,270**	10,310
Income tax expense	**2,581,913**	2,791,503

Note: The income tax of the Group which shall be paid in PRC is calculated based on the estimated taxable profit arising in China and the applicable tax rate. Tax arising from the taxable income in other jurisdictions is calculated at the respective statutory tax rates according to existing laws, interpretations and practices of the country or jurisdictions in which the Group operates.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Earnings per share

	For the six months end 30 June 2026 RMB/share	For the six months end 30 June 2025 RMB/share
Basic earnings per share		
Profit or loss from continuing operations	0.5500	0.70
Diluted earnings per share		
Profit or loss from continuing operations	0.5500	0.70

The basic earnings per share is calculated based on the net profit for the year attributable to ordinary shareholders of the Company and the weighted average number of outstanding ordinary shares during the year.

The numerator of diluted earnings per share shall be determined based on the current net profit attributable to the ordinary shareholders of the Company after adjusting the following factors: interest on diluted potential ordinary shares recognised as expenses in the current period; Income or expenses that would be incurred on conversion of dilutive potential ordinary shares; And the income tax consequences of the above adjustments.

The denominator of diluted earnings per share is equal to the sum of the following two items: the weighted average number of ordinary shares issued by the parent company in the basic earnings per share; And the weighted average number of ordinary shares added assuming the conversion of dilutive potential ordinary shares into ordinary shares.

In calculating the weighted average of the number of ordinary shares increased by the conversion of dilutive potential ordinary shares into issued ordinary shares, the dilutive potential ordinary shares issued in previous periods are assumed to be converted at the beginning of the current period; Diluted potential ordinary shares issued in the current period are assumed to be converted at the issuance date.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Earnings per share (Continued)

Basic earnings per share and diluted earnings per share are calculated as follows:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Earnings		
Net profit attributable to shareholders of the Company	**8,689,842**	10,701,474
Profit or loss from continuing operations	**8,689,842**	10,701,474
Less: at attributable to holder of other equity instruments *(Note 1)*	**1,180,535**	1,180,996
Net profit attributable to ordinary shareholders	**7,509,307**	9,520,478
Attributable to:		
Profit or loss from continuing operations	**7,509,307**	9,520,478
Shares		
Weighted average number of ordinary shares issued by the Company	**13,579,541,500**	13,579,541,500

Note 1: In accordance with the relevant clauses and regulations of renewable corporate bonds as stated in Note V. 43, in calculating the basic earnings per share, the dividends of other equity instruments included in the net profit attributable to shareholders of the parent company is deducted. The total amount of dividends accrued for the six months end 30 June 2026 is RMB1,180,535,000 (for the six months end 30 June 2025: RMB1,180,996,000).

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Notes to items in the statement of cash flows

(1) Cash from other operating activities

	For the six months end 30 June 2026	For the six months end 30 June 2025
Cash received from other operating activities:		
Income from sales of raw materials	827,329	1,036,067
Others	20,943,510	11,570,547
Total	21,770,839	12,606,614
Cash paid for other operating activities:		
Loans for cooperative development project	4,841,595	3,563,568
Advertising and publicity expenses	575,909	780,171
Office and travelling expenses	421,634	654,166
Repair and maintenance costs	130,778	168,552
Others	18,211,901	6,823,699
Total	24,181,817	11,990,156

(2) Cash from other financing activities

	For the six months end 30 June 2026	For the six months end 30 June 2025
Cash received from other financing activities:		
Cash received from sale and leaseback transactions	–	896,696
Cash paid for other financing activities:		
Cash paid from redemption of other equity instruments	4,000,000	10,758,992
Cash paid for lease liabilities	1,429,259	1,596,396
Cash paid from acquisition of non-controlling interests	562,858	–
Others	423,787	922,972
Total	6,415,904	13,278,360

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Notes to items in the statement of cash flows (Continued)

(2) Cash from other financing activities (Continued)

Changes in various liabilities arising from financing activities are as follows:

		Increase		Decrease		
	1 January 2026	Changes in cash	Changes in non-cash	Changes in cash	Changes in non-cash	30 June 2026
Short- term loans	168,869,472	213,315,379	2,026,503	(160,378,077)	–	223,833,277
Long- term loans (including current portion of long- term loans)	393,565,186	77,980,661	12,885,119	(47,265,106)	–	437,165,860
Bonds payable (including current portion of bonds payable)	57,555,686	12,640,000	561,922	(14,644,937)	–	56,112,671
Lease liabilities (including current portion of lease liabilities)	8,538,017	–	1,000,922	(1,429,259)	(72,029)	8,037,651
Long- term payables (relating to financing)	3,154,161	–	2,363	(415,159)	–	2,741,365
Other payables (dividends payable)	1,334,087	–	6,546,582	(1,813,167)	–	6,067,502
Other current liabilities (short-term commercial paper)	6,017,285	–	29,614	(6,046,899)	–	–
Total	639,033,894	303,936,040	23,053,025	(231,992,604)	(72,029)	733,958,326

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Supplementary information to the consolidated statement of cash flows

(1) Supplementary information to the statement of cash flows

Reconciliation of net profit to cash flows generated from operating activities:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Net profit	**9,520,486**	12,561,951
Add: Impairment losses on assets	**2,620,785**	756,672
Impairment of credit losses	**1,193,415**	1,649,073
Depreciation of fixed assets	**8,188,813**	10,171,396
Depreciation of right-of-use assets	**1,376,710**	1,399,120
Amortisation of intangible assets	**1,929,423**	1,058,618
Amortisation of investment properties	**261,972**	273,956
Amortisation of long- term prepayments	**141,862**	131,086
Gain from retirement and disposal of fixed assets, intangible assets and other long– term assets	**(77,946)**	(14,391)
Losses on fair value changes	**475,349**	193,134
Finance costs	**5,534,997**	5,650,458
Investment income/(losses)	**(1,520,510)**	103,937
Increase in deferred tax assets	**(502,339)**	(563,632)
Increase in deferred tax liabilities	**88,057**	121,916
Increase in inventories	**(2,952,628)**	(6,981,284)
Increase in contract assets	**(36,845,846)**	(56,127,203)
Increase in operating receivables	**(38,545,520)**	(13,083,744)
Increase in operating payables	**(30,707,612)**	(38,125,019)
Decrease in the deposits with the central bank	**340,273**	120,826
Decrease in other restricted monetary funds	**623,827**	1,245,872
Net cash flows used in operating activities	**(78,856,432)**	(79,457,258)

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Supplementary information to the consolidated statement of cash flows (Continued)

(1) Supplementary information to the statement of cash flows (Continued)

Significant investing and financing activities not involving cash:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Increase in right-of-use assets	**899,970**	1,587,415
Amount of inventory transferred to fixed assets and investment property	**675,347**	379,422
Total	**1,575,317**	1,966,837

Net change in cash and cash equivalents:

	For the six months end 30 June 2026	For the six months end 30 June 2025
Cash at the end of the period	**147,132,188**	161,261,319
Less: Opening balance of cash	**168,875,730**	161,550,931
Add: Closing balance of cash equivalents	**3,671,958**	2,410,183
Less: Opening balance of cash equivalents	**4,432,522**	5,820,689
Net decrease in cash and cash equivalents	**(22,504,106)**	(3,700,118)

(2) Cash and cash equivalents

	30 June 2026	31 December 2025
Cash	**147,132,188**	168,875,730
Including: Cash on hand	**72,424**	79,044
Cash with banks/financial institutions without restriction	**147,059,764**	168,796,686
Cash equivalents	**3,671,958**	4,432,522
Closing balance of cash and cash equivalents	**150,804,146**	173,308,252

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Supplementary information to the consolidated statement of cash flows (Continued)

(3) Vendor financing arrangements

The Group handles reverse factoring business through banks to provide factoring services for the Group's accounts payable to relevant suppliers. The banks agree to transfer the accounts receivable from designated suppliers to the Group for reasons such as selling goods and providing services to the Group, and provide financing services to relevant suppliers. Factoring is at the discretion of the supplier and the participating supplier can receive payment from the bank in advance. The payment terms between the Group and the supplier have not changed due to the reverse factoring arrangement, and the Group has not provided guarantees to banks.

The Group handles reverse factoring business through the supply chain financial service platform provided by financial institutions. The original creditor (supplier of the Group) initiates an application through the platform and provides accounts receivable information and trade background information. After the platform reviews, the electronic creditor's rights voucher is generated and submitted to the Group for confirmation through the platform. The Group's payment obligations under electronic creditor's rights certificates are unconditional and irrevocable, and are not affected by commercial disputes between parties involved in the circulation of electronic creditor's rights certificates. The Group does not claim set-off or defend against the payment liability. The Group will transfer an amount equal to the amount under the electronic creditor's rights certificate on the payment date according to the business rules of the platform.

Information on financial liabilities related to supplier financing is as follows:

	30 June 2026		
	Gross carrying amount	Including: Amount received by suppliers	Maturity range
Trade payables	**113,654,641**	**85,677,606**	**6-12 months**

	31 December 2025		
	Gross carrying amount	Including: Amount received by suppliers	Maturity range
Trade payables	117,285,265	85,854,547	6-12 months

The payment maturity range of the Group's supplier financing arrangements is basically within one year, which is basically consistent with the maturity range of comparable accounts payable.

V. NOTES TO KEY ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Foreign currency monetary items

	Closing balance of foreign currencies	Exchange rate	Closing balance in RMB
Cash and bank balances			19,043,145
USD	669,122	6.8109	4,557,323
NGN	530,778,980	0.0049	2,600,817
EUR	251,113	7.7671	1,950,417
DZD	38,152,510	0.0510	1,945,778
Others			7,988,810
Accounts receivables			14,412,962
USD	448,410	6.8109	3,054,078
DZD	57,872,706	0.0510	2,951,508
NGN	395,955,714	0.0049	1,940,183
Others			6,467,193
Other receivables			3,084,160
AED	370,357	1.8511	685,568
EUR	41,549	7.7671	322,713
THB	1,177,591	0.2042	240,464
Others			1,835,415
Accounts payables			10,006,196
DZD	36,597,686	0.0510	1,866,482
SAR	907,918	1.8104	1,643,694
USD	235,171	6.8109	1,601,727
Others			4,894,293
Other payables			2,286,527
NGN	132,096,122	0.0049	647,271
Others			1,639,256
Short- term loans			6,275,552
EUR	702,780	7.7671	5,458,565
USD	119,953	6.8109	816,987
Long- term loans (including long-term loans due within one year)			996,599
EUR	35,050	7.7671	272,233
Others			724,366

Note: The Group's main operating location is Mainland China and its overseas markets spread across 100 countries and regions. There are no individually material foreign operations, and the foreign operations determine the functional currencies according to the currencies of the principal economic environments in which they operate. The Company, the subsidiaries, and the foreign operations determined the foreign currency monetary items mentioned above in accordance with their functional currencies respectively.

VI. CHANGES OF CONSOLIDATION SCOPE

1. *Business combinations not involving enterprises under common control*

For the six months ended 30 June 2026,The Group included China Railway Construction Investment (Wenzhou) Urban Development Co., Ltd. and Jiangyin China Railway Construction Kunlun Urban Development Co., Ltd. into its consolidated scope through business combinations not under common control. The individual amount of these subsidiaries' assets, liabilities, operating income etc. was not material at the acquisition date. This transaction resulted in an increase of RMB5,745,815,000 in the Group's total assets after deducting the acquisition consideration, and an increase of RMB5,549,881,000 in the Group's total liabilities.

2. *Others*

For the six months ended 30 June 2026, the Group acquired equity in Pingdu City Specialty Town Construction Management Co., Ltd. and Chongqing Sensor Industrial Park Construction and Operation Co., Ltd. Through the concentration test, these acquisitions constituted asset purchases. These matters resulted in an increase of RMB2,915,822,000 in the Group's total assets, net of acquisition consideration, and an increase of RMB2,767,342,000 in total liabilities.

VII. EQUITY IN OTHER ENTITIES

1. *Subsidiaries*

(1) Composition of the enterprise group

	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion(%) Direct	Indirect
The significant subsidiaries acquired through establishing or investment						
China Civil Engineering Construction Corporation	Beijing	Beijing	Construction	3,000,000	100.00	-
China Railway 11th Bureau Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Construction	6,162,382	100.00	-
China Railway 12th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	5,060,677	100.00	-
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,700,000	100.00	-
China Railway 14th Bureau Group Co., Ltd.	Jinan, Shandong	Jinan, Shandong	Construction	3,391,534	79.02	-
China Railway 15th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	3,034,800	100.00	-
China Railway 16th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	5,430,000	100.00	-
China Railway 17th Bureau Group Co., Ltd.	Taiyuan, Shanxi	Taiyuan, Shanxi	Construction	3,021,226	100.00	-
China Railway 18th Bureau Group Co., Ltd.	Tianjin	Tianjin	Construction	3,523,404	80.30	-
China Railway 19th Bureau Group Co., Ltd.	Beijing	Beijing	Construction	5,586,000	100.00	-
China Railway 20th Bureau Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Construction	3,385,831	70.41	-
China Railway 21st Bureau Group Co., Ltd.	Lanzhou, Gansu	Lanzhou, Gansu	Construction	2,538,000	100.00	-

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(1) Composition of the enterprise group (Continued)

	Principal place of business	Place of registration	Principal activities	Registered capital	Shareholding proportion(%) Direct	Indirect
China Railway 22nd Bureau Group Co., Ltd.	Beijing	Beijing	Construction	2,000,000	100.00	–
China Railway 23rd Bureau Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Construction	2,000,000	100.00	–
China Railway 24th Bureau Group Co., Ltd.	Shanghai	Shanghai	Construction	2,000,000	100.00	–
China Railway 25th Bureau Group Co., Ltd.	Guangzhou, Guangdong	Guangzhou, Guangdong	Construction	2,007,800	100.00	–
China Railway First Survey and Design Institute Group Co., Ltd.	Xi'an, Shaanxi	Xi'an, Shaanxi	Plan, design and consultancy	1,070,000	100.00	–
China Railway Fourth Survey and Design Institute Group Co., Ltd.	Wuhan, Hubei	Wuhan, Hubei	Plan, design and consultancy	1,052,500	100.00	–
China Railway Construction Group Co., Ltd.	Beijing	Beijing	Construction	4,202,971	100.00	–
China Railway Construction Electrification Bureau Group Co., Ltd.	Beijing	Beijing	Construction	3,800,000	100.00	–
China Railway Material Group Co., Ltd.	Beijing	Beijing	Purchase and sales of goods an materials	3,023,400	100.00	–
CRCC High- Tech Equipment Corporation Limited	Kunming, Yunnan	Kunming, Yunnan	Manufacturing operations	1,519,884	63.70	1.30
China Railway Construction Real Estate Group Co., Ltd.	Beijing	Beijing	Real estate development and operation	7,000,000	100.00	–
China Railway Construction Heavy Industry Corporation Limited	Changsha, Hunan	Changsha, Hunan	Manufacturing operations	5,333,497	71.93	0.36
China Railway Construction Investment Group Co., Ltd.	Zhuhai, Guangdong	Zhuhai, Guangdong	Project investment, Construction	12,067,086	100.00	–
CRCC Finance Company Limited	Beijing	Beijing	Financial services	9,000,000	94.00	–
China Railway Construction Corporation (International) Limited	Beijing	Beijing	Construction	3,012,500	100.00	–
CRCC Capital Holdings Group Co., Ltd.	Beijing	Beijing	Financial services	5,000,000	100.00	–
China Railway Urban Construction Group Co.,Ltd.	Changsha, Hunan	Changsha, Hunan	Construction	2,789,839	71.69	–
CRCC Kunlun Investment Group Co., Ltd.	Chengdu, Sichuan	Chengdu, Sichuan	Project investment, Construction	5,087,166	100.00	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(2) The subsidiaries with significant non-controlling interests are listed as follows:

Subsidiary	Shareholding proportion *(%)*	Net profit or loss attributable to non- controlling interests	Dividends distributed to non- controlling shareholders	Accumulated balances of non- controlling interests at the reporting date
China Railway 14th Bureau Group Co., Ltd. *(Note)*	20.98	55,138	170,270	8,233,140
China Railway Construction Heavy Industry Corporation Limited	27.71	140,000	126,268	5,177,906
China Railway 20th Bureau Group Co., Ltd. *(Note)*	29.59	124,731	210,492	4,357,399
China Railway 18th Bureau Group Co., Ltd. *(Note)*	19.70	102,939	178,177	3,980,865

Note: The mentioned above subsidiaries issued financial instruments, such as outstanding renewable corporate bonds and medium-term notes, which are recognised in other equity instruments and presented under the line item of "non-controlling interests" in the consolidated balance sheet of the Group. The shareholding proportion of minority shareholders of these subsidiaries represents the proportion of equity interests held by minority shareholders other than holders of other equity instruments.

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

1. Subsidiaries (Continued)

(3) The main financial information of The subsidiaries with significant non-controlling interests are listed as follows:

The main financial information of the aforementioned subsidiaries are listed as follows. These figures represent the amounts before any offsetting among the enterprises within the group:

For the six months ended 30 June 2026

	China Railway 14th Bureau Group Co., Ltd.	China Railway Construction Heavy Industry Corporation Limited	China Railway 20th Bureau Group Co., Ltd.	China Railway 18th Bureau Group Co., Ltd.
Current assets	66,094,484	17,392,032	72,973,372	84,092,298
Non- current assets	46,265,118	9,629,630	21,693,167	30,237,115
Total assets	112,359,602	27,021,662	94,666,539	114,329,413
Current liabilities	86,565,052	8,077,183	71,192,967	86,108,012
Non- current liabilities	8,994,824	294,670	13,477,075	15,351,394
Total liabilities	95,559,876	8,371,853	84,670,042	101,459,406
Revenue	36,535,141	4,274,750	17,768,390	36,307,814
Net profit	791,393	504,964	415,304	823,485
Total comprehensive income	791,393	505,444	383,199	803,478
Net cash flows used in operating activities	(5,225,661)	(465,020)	(7,358,595)	(7,939,609)

As at 31 December 2025/For the six months ended 30 June 2025

	China Railway 14th Bureau Group Co., Ltd.	China Railway Construction Heavy Industry Corporation Limited	China Railway 20th Bureau Group Co., Ltd.	China Railway 18th Bureau Group Co., Ltd.
Current assets	64,263,180	17,426,211	71,152,653	81,783,175
Non- current assets	45,760,409	9,870,833	20,864,317	28,107,694
Total assets	110,023,589	27,297,044	92,016,970	109,890,869
Current liabilities	86,377,243	8,182,095	67,531,234	83,873,888
Non- current liabilities	7,596,492	503,576	14,334,808	13,019,589
Total liabilities	93,973,735	8,685,671	81,866,042	96,893,477
Revenue	41,989,563	4,837,383	23,913,521	36,134,257
Net profit	814,110	735,683	501,334	839,731
Total comprehensive income	814,110	737,655	470,859	831,394
Net cash flows (used in)/from operating activities	(3,000,292)	191,947	(6,665,056)	(8,063,447)

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates

(1) Principal joint ventures or associates

	Principal place of business	Place of registration	Principal activities	Direct Shareholding proportion (%)	Measurement of joint ventures and associates
Joint ventures					
Sichuan Chengmian Cangba Expressway Co., Ltd.	Mianyang, Sichuan	Mianyang, Sichuan	Highway Project Construction &Management	39.50	Equity method
Kunming Rail Transit Line 5 Construction and Operation Co., Ltd.	Kunming, Yunnan	Kunming, Yunnan	Investment in Rail Construction	54.40	Equity method
Associates					
CRCC Financial Leasing Co., Ltd.	Tianjin	Tianjin	Finance Lease	50.00	Equity method
Hangqu Railway Co., Ltd.	Quzhou, Zhejiang	Quzhou, Zhejiang	Railway Project Construction &Management	46.00	Equity method

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(2) Major financial information of principal joint ventures

The financial information of Sichuan Chengmian Cangba Expressway Co., Ltd. is listed as follows. The financial figures have been adjusted for accounting policy differences and have been adjusted to the book value in this financial statement：

	30 June 2026	31 December 2025
Total assets	**62,081,274**	61,704,993
Total liabilities	**51,340,581**	50,811,971
Non- controlling interests	**–**	–
Total equity attributable to owners of the Company	**10,740,693**	10,893,022
The net assets multiplied by the shareholding proportion	**4,242,574**	4,302,744
Adjustment event – Others	**(241)**	(989)
Carrying amount of investments in the joint ventures attributable to the Group	**4,242,333**	4,301,755

	For the six months end 30 June 2026	For the six months end 30 June 2025
Revenue	**332,134**	118,618
Finance costs	**540,658**	(202,000)
Income tax expenses	**–**	–
Net losses	**(339,790)**	(293,801)
Other comprehensive income	**–**	–
Total comprehensive income	**(339,790)**	(293,801)
Dividends from joint ventures for the period	**–**	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(2) Major financial information of principal joint ventures (Continued)

The financial information of Kunming Rail Transit Line 5 Construction and Operation Co., Ltd. is listed as follows. The financial figures have adjusted for accounting policy differences and have been adjusted to the book value in this financial statement：

	30 June 2026	31 December 2025
Total assets	**23,058,367**	22,860,287
Total liabilities	**16,019,633**	15,872,997
Non-controlling interests	**–**	–
Total equity attributable to owners of the Company	**7,038,734**	6,987,290
The net assets multiplied by the shareholding proportion	**3,829,071**	3,801,086
Adjustment event – Others	**(49,982)**	(21,997)
Carrying amount of investments in the joint ventures attributable to the Group	**3,779,089**	3,779,089

	For the six months end 30 June 2026	For the six months end 30 June 2025
Revenue	**178,701**	235,503
Finance costs	**(241,395)**	(208,979)
Income tax expenses	**(35,209)**	(31,885)
Net profit	**6,444**	5,044
Other comprehensive income	**–**	–
Total comprehensive income	**6,444**	5,044
Dividends from joint ventures for the period	**–**	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(3) Major financial information of principal associates

The financial information of CRCC Financial Leasing Co., Ltd. is listed as follows. The financial figures have been adjusted for accounting policy differences and have been adjusted to the book value in this financial statement:

	30 June 2026	31 December 2025
Total assets	**41,457,937**	40,143,188
Total liabilities	**33,652,420**	32,597,076
Non-controlling interests	**–**	–
Total equity attributable to owners of the Company	**7,805,517**	7,546,112
The net assets multiplied by the shareholding proportion	**3,902,759**	3,773,056
Adjustment event		
– Unrealized profits from internal transactions	**(305,240)**	(308,373)
– Others	**2,175**	1,955
Carrying amount of investments in the joint ventures attributable to the Group	**3,599,694**	3,466,638

	For the six months end 30 June 2026	For the six months end 30 June 2025
Revenue	**786,118**	967,287
Finance costs	**86**	337
Income tax expenses	**50,017**	83,860
Net profit	**259,845**	239,102
Other comprehensive income	**(440)**	2,125
Total comprehensive income	**259,405**	241,227
Dividends from joint ventures for the period	**–**	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(3) Major financial information of principal associates (Continued)

The financial information of Hangqu Railway Co., Ltd. is listed as follows. The financial figures have been adjusted for accounting policy differences and have been adjusted to the book value in this financial statement：

	30 June 2026	31 December 2025
Total assets	**21,505,849**	20,839,004
Total liabilities	**14,976,693**	14,309,848
Non-controlling interests	**–**	–
Total equity attributable to owners of the Company	**6,529,156**	6,529,156
The net assets multiplied by the shareholding proportion	**3,003,412**	3,003,412
Adjustment event – Others	**(331)**	(331)
Carrying amount of investments in the joint ventures attributable to the Group	**3,003,081**	3,003,081

	For the six months end 30 June 2026	For the six months end 30 June 2025
Revenue	**172,865**	6,960
Finance costs	**(14,635)**	–
Income tax expenses	**–**	–
Net profit	**2,440**	–
Other comprehensive income	**–**	–
Total comprehensive income	**2,440**	–
Dividends from joint ventures for the period	**–**	–

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

2. Equity in joint ventures and associates (Continued)

(4) The aggregate financial information of the individually insignificant joint ventures:

The table below presents summary financial information for joint ventures and associates that are not material to the Group:

	For the Six months ended 30 June 2026	31 December 2025
Equity in joint ventures		
Carrying amount of investments	**51,093,688**	52,161,460
The total amounts calculated based on the shareholding ratios of the following items		
Net losses	**(324,537)**	(1,358,618)
Other comprehensive income	**3,009**	71,552
Total comprehensive income	**(321,528)**	(1,287,066)

	For the Six months ended 30 June 2026	31 December 2025
Equity in associates		
Carrying amount of investments	**85,208,843**	82,571,257
The total amounts calculated based on the shareholding ratios of the following items		
Net profit	**1,180,422**	1,237,264
Other comprehensive income	**(23,266)**	(175,045)
Total comprehensive income	**1,157,156**	1,062,219

VII. EQUITY IN OTHER ENTITIES (CONTINUED)

3. *Equity in structured entities that have not been merged into the consolidated financial statements*

As at 30 June 2026, the scale of major structured entities that the Group participated in and that were not included in the consolidated financial statements totalled approximately RMB46,734,859,000 (31 December 2025: RMB46,770,859,000). Among them, the subscription amount of the Group was approximately RMB20,808,873,000 (31 December 2025: RMB21,102,873,000) and that of other investors was approximately RMB25,925,986,000 (31 December 2025: RMB25,667,986,000). The Group has no control over this category of structured entity, so the structured entities have not been merged into the consolidated financial statements. As at 30 June 2026, the actual subscription amount paid by the Group was approximately RMB9,066,716,000 (31 December 2025: RMB8,929,646,000), which was accounted in other non-current financial assets. The Group's largest risk exposure in these structured entities is the amount of capital contributed by the Group as of the end of the reporting period. The Group has no obligation or intention to provide financial support to the structured entities.

As at 30 June 2026, the Group's cumulative issuance amount of asset-backed securities was RMB66,567,000,000 (31 December 2025: RMB69,931,000,000). The subordinated tranche of the asset-backed securities was RMB4,415,660,000 (31 December 2025: RMB4,099,300,000). As at 30 June 2026, the subordinated tranche of asset-backed securities held by the Group was RMB1,043,600,000 (31 December 2025: RMB948,000,000), of which RMB510,200,000 (31 December 2025: RMB528,400,000) was accounted in held- for-trading financial assets and RMB533,400,000 (31 December 2025: RMB419,600,000) was accounted in other non-current financial assets. As for asset-backed securities issued by the Group, it promises to, upon issuance of some asset-backed securities, provide paid temporary liquidity support for the principal of priority asset-backed securities and the difference between the expected returns and the distributable funds for each period of the asset-backed securities special plan, but the Group did not provide such support for some asset-backed securities upon their issuance. The Group assesses that the possibility of triggering liquidity support in the future is minimal.

VIII. GOVERNMENT GRANTS

1. *Liabilities related to government grants*

	Opening balance	addition	Recognized as non-operating income	Recognized as other income	Recognized as others	Closing balance	Related to Asset/Income
Enterprise development funds	344,974	82,701	(494)	(82,825)	(125)	344,231	Related to Asset/Income
Research grant	67,572	42,965	(4,675)	(43,417)	(2,600)	59,845	Related to Asset/Income
Others	465,625	90,607	(9,144)	(63,485)	(818)	482,785	Related to Asset/Income
Total	878,171	216,273	(14,313)	(189,727)	(3,543)	886,861	–

VIII. GOVERNMENT GRANTS (CONTINUED)

2. *Government grants credited to profit or loss for the period are listed as follows*

	For the Six months ended 30 June 2026	For the Six months ended 30 June 2025
Asset-related	**25,567**	6,816
Recognized as other income	**23,567**	6,816
Recognized as non-operating income	**2,000**	–
Income-related	**178,473**	245,259
Recognized as other income	**166,160**	227,197
Recognized as non-operating income	**12,313**	18,062
Total	**204,040**	252,075

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

1. *Financial instrument risks*

The Group's activities expose it to a variety of financial risks: mainly include credit risk, liquidity risk and market risk The risk management policy of this group is outlined below.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies specify specific risks, covering market risk, credit risk and liquidity risk management. The management will hold meetings at least four times a year to analyse and make plans to manage these risks. Besides, the board will hold meetings at least twice a year to discuss and approve the suggestions from management. Generally, the Group introduces conservative strategies in risk management. As these risks for the Group are kept at a low level, the Group does not use any derivative instrument and other instruments to hedge these risks in the whole year.

(1) Credit risk

The Group trades only with recognised and creditworthy customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable and contract assets balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Department of Credit Control in the Group.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(1) Credit risk (Continued)

Since the counterparties of monetary funds, bank acceptance bills receivable are banks with good reputations and high credit ratings, these financial instruments have low credit risks.

Other financial assets of the Group include notes receivable, accounts receivable, other receivables, non-current assets due within one year, other current assets, loans and advances to customers, debt investments and long-term receivables. The credit risk of these financial assets stems from the default of the counterparty. The maximum risk exposure is equal to the book value of these instruments.

The maximum credit risk exposure that the Group faces on each balance sheet date is the total amount collected from customers minus the amount of impairment allowances.

The Group also faces credit risks due to the provision of financial guarantees, as disclosed in Note XII. 2 for details.

Since the Group only conducts transactions with recognised and reputable third parties, there is no need for collateral. Credit risk is centralized and managed according to customers/ counterparties, geographic regions and industries. Because the Group's accounts receivable customer base is relatively wide. Therefore, there is no significant concentration of credit risk within the Group.

The judgment criteria for the significant increase of credit risk

The Group uses reasonable and supportable forward-looking information available to determine whether the credit risk of financial instruments has increased significantly since initial recognition by comparing the risk of default of financial instruments at the end of the reporting period with the risk of default at the date of initial recognition. For financial guarantee contracts, when applying the impairment requirements for financial instruments, the Group regards the date when the Group becomes a party to an irrevocable commitment as the initial recognition date.

The Group's main criteria for judging significant increase in credit risk are that the overdue days exceed 30 days, or one or more of the following indicators have changed significantly: whether the actual or expected operating results of the debtor have changed significantly; whether there has been a significant adverse change in the regulatory, economic or technical environment in which the debtor is located; Whether there has been a significant change in the value of the collateral as collateral for the debt or in the quality of the guarantee or credit enhancement provided by a third party that is expected to reduce the economic incentive of the debtor to repay the debt at the contractual maturity or affect the probability of default; whether the expected performance and repayment behavior of the debtor have changed significantly; whether the Group's credit management methods for financial instruments have changed.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(1) Credit risk (Continued)

The judgment criteria for the significant increase of credit risk (Continued)

At the end of the reporting period, if the Group judges that a financial instrument has only a low credit risk, the Group assumes that the credit risk of the financial instrument has not increased significantly since initial recognition. A financial instrument is considered to have a low credit risk if the risk of default is low, the borrower has a strong ability to meet its contractual cash flow obligations in the short term, and even if there are adverse changes in the economic situation and operating environment over a longer period of time that do not necessarily reduce the borrower's ability to meet its contractual cash obligations.

Definition of credit-impaired assets

The Group's main criterion for determining that credit impairment has occurred is that the number of days past due exceeds 90 days. However, in some cases, if internal or external information indicates that the contract amount may not be recovered in full before considering any credit enhancements held, the Group will also consider that credit impairment has occurred.

Credit impairment of financial assets may be caused by the combined action of multiple events, but may not be caused by separately identifiable events. Evidence that a financial asset has been credit-impaired includes the following observable information:

(1) Significant financial difficulties of the issuer or debtor; ;

(2) The debtor breaches the contract, such as default or overdue payment of interest or principal ;

(3) A concession given by the creditor to the debtor for economic or contractual reasons relating to the debtor's financial difficulties that would not otherwise be made by the debtor ;

(4) It is probable that the debtor will become insolvent or undergo other financial reorganisation ;

(5) Other objective evidence indicating credit impairment of financial assets.

The exposure to credit risk

As at 30 June 2026 and 31 December 2025, the exposure to credit risk of notes receivable, accounts receivable, accounts receivable financing, other receivables, contract assets, non-current assets due within one year, loans and advances to customers, debt investment and long-term accounts receivable is shown in Note V.3,4,5,7,9,10,12,13,15.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(2) Liquidity risk

The objective of the Group is to maintain a balance between sustainability and flexibility in financing through the use of a variety of financing instruments. The Group's operating financing refers to funds generated through operations and borrowings.

Due to the Group's supplier finance arrangements, the relevant accounts payable are due to a single counterparty rather than individual suppliers. This results in the Group being required to settle a significant amount with a single counterparty, rather than less significant amounts with a number of suppliers. However, the Group's payment terms for accounts payable covered by the arrangements are either identical to the payment terms for other accounts payable or extended to basically no more than 1 year. The Group does not consider the supplier finance arrangements to result in excessive concentrations of liquidity risk given the payment terms are not significantly extended.

The tables below summaries the maturity profile of the Group's financial liabilities and other liabilities based on the undiscounted contractual cash flows:

30 June 2026

	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short- term loans	–	226,369,141	–	–	–	226,369,141
Due to customers	1,705,376	–	–	–	–	1,705,376
Bills payable	–	28,960,987	–	–	–	28,960,987
Trade payables	–	574,570,431	–	–	–	574,570,431
Other payables	–	135,498,976	–	–	–	135,498,976
Long-term borrowings (including the portion due within one year)	–	69,462,474	92,036,388	151,147,717	212,276,954	524,923,533
Bonds payable (including the portion due within one year)	–	21,568,711	11,998,336	14,407,044	14,427,867	62,401,958
Long- term payables (excluding special) (including the portion due within one year)	–	8,851,941	35,394,863	13,162,261	5,858,465	63,267,530
Lease liabilities (including the portion due within one year)	–	2,222,955	1,467,495	2,129,887	4,716,114	10,536,451
Financial guarantees *(Note XII. 2)* (excluding the real estate mortgage guarantees)	1,429,060	–	–	–	–	1,429,060
Total	3,134,436	1,067,505,616	140,897,082	180,846,909	237,279,400	1,629,663,443

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(2) Liquidity risk (Continued)

The tables below summaries the maturity profile of the Group's financial liabilities and other liabilities based on the undiscounted contractual cash flows: (Continued)

31 December 2025

	On demand	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short- term loans	–	171,524,598	–	–	–	171,524,598
Due to customers	1,872,095	–	–	–	–	1,872,095
Bills payable	–	37,124,169	–	–	–	37,124,169
Trade payables	–	591,387,684	–	–	–	591,387,684
Other payables	–	124,655,919	–	–	–	124,655,919
Other current liabilities	–	6,545,685	–	–	–	6,545,685
Long-term borrowings (including the portion due within one year)	–	68,022,121	82,020,510	138,608,564	183,052,801	471,703,996
Bonds payable (including the portion due within one year)	–	18,952,016	15,231,005	17,829,973	10,696,017	62,709,011
Long- term payables (excluding special) (including the portion due within one year)	–	9,061,669	37,146,316	15,634,035	6,275,775	68,117,795
Lease liabilities (including the portion due within one year)	–	2,511,289	1,494,436	2,264,806	4,858,436	11,128,967
Other non- current liabilities (including the portion due within one year)	–	–	369,600	43,000	–	412,600
Financial guarantees *(Note XII. 2)* (excluding the real estate mortgage guarantees)	1,499,065	–	–	–	–	1,499,065
Total	3,371,160	1,029,785,150	136,261,867	174,380,378	204,883,029	1,548,681,584

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. Financial instrument risks (Continued)

(3) Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group regularly reviews and monitors the change of fixed and floating interest rate borrowings in order to manage its interest rate risk.

As at 30 June 2026, floating interest rate loans accounted for approximately 68.52% (31 December 2025: 67.66%) and fixed interest rate loans accounted for approximately 31.48% (31 December 2025: 32.34%) of the Group's Long-term loans respectively. Management would adjust the proportion of floating and fixed rate loans based on changes in the market interest rates to reduce the significant impact arising from interest rate risk.

If there was a general increase/decrease in the interest rate of bank and other borrowings with floating interest rates by 0.50%, with all other variables held constant, the consolidated operating results would have decreased/increased by approximately RMB576,618 in 30 June 2026 (31 December 2025: RMB895,420,000), and there is no impact on other components of the consolidated equity, except for retained earnings, of the Group. The sensitivity analysis above has been determined assuming that the change in interest rates had occurred as at 30 June 2026 and the exposure to interest rate risk has been applied to those. The estimated increase or decrease of interest rates of 0.50% represents management's assessment of a reasonably possible change in interest rates over the year from now until the end of the nest annual reporting period.

Foreign currency risk

The Group is exposed to transactional exchange rate risk. Such risks arise from sales or purchases made by an operating unit in a currency other than its functional currency.

As a result of its significant business operations in Mainland China, the Group's revenue and expenses are mainly denominated in RMB and over 90% of the financial assets and liabilities are denominated in RMB. The effect of the fluctuations in the exchange rates of RMB against foreign currencies on the Group's results of operations is therefore minimal and the Group had not entered into any hedging transactions as at 30 June 2026 in order to reduce the Group's exposure to foreign currency risk in this regard (31 December 2025: Nil).

The following table presents a sensitivity analysis of exchange rate risk of reasonable and possible changes in the exchange rates of major foreign currencies, such as the US dollar, the EURO and the Hong Kong dollar, with all other variables held constant, of the Group's net profit and other comprehensive income equity net of tax.

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

1. *Financial instrument risks (Continued)*

(3) Market risk (Continued)

Foreign currency risk (Continued)

30 June 2026

	Exchange rate Increase/ (Decrease)%	Net profit or loss Increase/ (Decrease)	Increase/ (decrease) in other comprehensive income, net of tax	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	5%	217,301	–	217,301
Decrease in the United States dollar rate	(5%)	(217,301)	–	(217,301)
Increase in the Euro rate	5%	175,496	–	175,496
Decrease in the Euro rate	(5%)	(175,496)	–	(175,496)
Increase in the Hong Kong dollar rate	5%	59,788	557	60,345
Decrease in the Hong Kong dollar rate	(5%)	(59,788)	(557)	(60,345)

31 December 2025

	Exchange rate Increase/ (Decrease)%	Net profit or loss Increase/ (Decrease)	Increase/ (decrease) in other comprehensive income, net of tax	Total equity Increase/ (Decrease)
Increase in the United States dollar rate	5%	174,429	–	174,429
Decrease in the United States dollar rate	(5%)	(174,429)	–	(174,429)
Increase in the Euro rate	5%	(113,189)	–	(113,189)
Decrease in the Euro rate	(5%)	113,189	–	113,189
Increase in the Hong Kong dollar rate	5%	26,709	328	26,709
Decrease in the Hong Kong dollar rate	(5%)	(26,709)	(328)	(26,709)

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

2. Capital management

The Group's primary objectives for capital management are to safeguard the Group's ability to continue as a going concern and keep the capital ratio at a healthy level, so that it can support business development and maximise the value of shareholders.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares. No changes were made in the objectives, policies or processes for managing capital for the six months ended 30 June 2026 and 2025.

The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. Net debt includes all loans, due to customers, other current liabilities(continuing involvement in liabilities), bills payable, trade payables, other payables, bonds payable, lease liabilities, long-term payables (excluding special payables), current portion of non-current liabilities (excluding the current portion of long-term employee benefits payable and provisions) and other non-current liabilities(continuing involvement in liabilities) less cash and bank balances. Total equity comprises equity attributable to owners of the Company and non-controlling interests stated in the consolidated statement of financial position. The gearing ratios at the end of the reporting period are listed as follows:

	30 June 2026	31 December 2025
Short- term loans	**223,833,277**	168,869,472
Long- term loans	**379,632,737**	335,750,413
Due to customers	**1,705,376**	1,872,095
Bills payable	**28,960,987**	37,124,169
Trade payables	**574,570,431**	591,387,684
Other payables	**135,498,976**	124,655,919
Current portion of non- current liabilities (excluding current portion of long- term employee benefits payable and provisions)	**88,828,375**	87,513,657
Other current liabilities	**–**	6,386,585
Bonds payable	**35,819,063**	39,335,327
Long- term payables (excluding special payables)	**53,435,117**	57,879,101
Lease liabilities	**5,887,948**	6,121,161
Other non- current liabilities	**–**	412,600
Less: Cash and bank balances	**168,252,299**	191,922,113
Net debt	**1,359,919,988**	1,265,386,070
Total equity attributable to owners of the company	**349,957,031**	340,286,440
Non- controlling interests	**90,919,088**	86,668,415
Adjusted capital	**440,876,119**	426,954,855
Total equity and net debt	**1,800,796,107**	1,692,340,925
Gearing ratio	**76%**	75%

IX. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (CONTINUED)

3. Transfer of financial assets

Financial assets transferred but not derecognised as a whole

As at 30 June 2026, the carrying amount of bank acceptance bills and commercial acceptance bills endorsed by the Group to suppliers for settlement of accounts payable and discounting was RMB373,995,000 (31 December 2025: RMB987,073,000). In the opinion of the Group, the Group retains substantially all of its risks and rewards, including the risk of default associated therewith, and therefore continues to recognise in full its and related settled accounts payable and bank borrowings. After endorsement or discount, the Group no longer retains the right to use it, including the right to sell, transfer or pledge it to other third parties. As at 30 June 2026, the carrying amount of accounts payable or bank borrowings recognised by the Group and settled by the Group with recourse to suppliers amounted to RMB518,939,000 (31 December 2025: RMB987,073,000).

As part of the ordinary course of business, the Group entered into factoring arrangements with certain financial institutions and transferred certain trade receivables to them. Under this arrangement, the Group is required to repay amounts if the debtors of accounts receivable defer payment. The Group does not derecognise a financial asset if it retains substantially all of the risks and rewards of ownership. After the transfer, the Group no longer retains the right to use it, including the right to sell, transfer or pledge it to other third parties. As at 30 June 2026, the original carrying amount of receivables transferred but not yet settled under the arrangement was RMB4,472,200,000 (31 December 2025: RMB5,784,314,000).

Transferred financial assets that have been derecognised as a whole but continue to be involved

As at 30 June 2026, the carrying amount of bank acceptance bills endorsed or discounted by the Group was RMB753,397,000 (as at 31 December 2025: RMB1,588,555,000). On 31 December 2025, the maturity date is 1 to 12 months. According to the relevant provisions of the Bill Law, if the acceptance bank refuses to pay, the holder may exercise the right of recourse against any one, several or all of the bill debtors, including the Group, regardless of the order of the bill debtors ("Continuing Involvement"). The Group considers that it has transferred substantially all of its risks and rewards, and therefore derecognises it and its related settled accounts payable in full. The maximum loss and undiscounted cash flow of continuing involvement and repurchase are equal to its book value. The Group believes that the continuing involvement in fair value is not significant.

For the six months ended 30 June 2026, the Group did not recognise gains or losses at the date of transfer. The Group has no income or expense recognised in the current year and accumulated due to its continuing involvement in derecognised financial assets. Endorsements or discounting occur approximately evenly during the period.

X. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

For the six months ended 30 June 2026

	Fair value measurement using			
	Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Receivables at FVTOCI	–	1,013,545	–	1,013,545
Held-for-trading financial assets	258,761	–	931,790	1,190,551
Other equity instrument investments	1,410,294	–	13,310,869	14,721,163
Other non- current financial assets	286,437	–	12,164,148	12,450,585
Other current assets	7,120,135	–	–	7,120,135
Total	9,075,627	1,013,545	26,406,807	36,495,979

2025

	Fair value measurement using			
	Quoted Prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Recurring fair value measurements				
Receivables at FVTOCI	–	1,129,124	–	1,129,124
Held-for-trading financial assets	316,002	–	690,285	1,006,287
Other equity instrument investments	1,794,600	–	12,289,669	14,084,269
Other non- current financial assets	484,446	–	12,345,278	12,829,724
Other current assets	6,959,698	–	–	6,959,698
Total financial assets	9,554,746	1,129,124	25,325,232	36,009,102

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Level 1 fair value measurement

The fair value of listed equity instrument investment and debt investment is determined at the market price.

3. Level 2 fair value measurement

	Fair value as at 30 June 2026	Fair value as at 31 December 2025	Valuation technique(s)	Key input(s)
Receivables at FVTOCI	1,013,545	1,129,124	Discounted cash flows	Discount rates for bank acceptance bills in the same term

4. Level 3 fair value measurement

For unlisted equity instrument investments, the fair value is estimated using the market method based on unobservable market price or interest rate assumptions. The Group is required to identify comparable listed companies based on industry, size, leverage and strategy and calculate appropriate market multipliers, such as enterprise value multipliers and P/E multipliers, for each comparable listed company identified. Based on the specific facts and circumstances of the enterprise, adjustments are made after considering factors such as liquidity and scale differences with comparable listed companies. The Group believes that the fair value and its changes estimated by the valuation technique are reasonable and the most appropriate value at the end of the reporting period. For the fair value of investments in unlisted equity instruments, the Group estimates the potential impact of using other reasonable and possible assumptions as inputs to the valuation model.

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. *Level 3 fair value measurement (Continued)*

The following is a summary of significant unobservable inputs to Level 3 fair value measurements:

	Fair value as at 30 June 2026	Fair value as at 31 December 2025	Valuation technique(s)	Significant unobservable input(s)
Held-for-trading financial assets/ Other non-current financial assets– call options for unlisted entities	**2,089,940**	2,385,638	Binomial tree option pricing model for valuation	Unlisted entities' revenue volatility and unlisted equity investments' comparable entities' stock price volatility
Held-for-trading financial assets/ Non-current financial assets-others	**11,005,998**	10,649,925	Discounted cash flows	Future cash flows discounted at rates that reflected the expected risk level
Other equity instrument investment	**13,310,869**	12,289,669	Market method	Discount rate for lack of market mobility
Sum of assets under continuous measurement of fair value	**26,406,807**	25,325,232		

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

5. Reconciliation of continuing Level 3 fair value measurements

30 June 2026

	Opening balance	Total gain or loss for the period Included in Recognised in profit or loss	Other comprehensive income	Increase	Decrease	Closing balance	Changes in unrealized gains or losses for the year in which assets held at the end of the year are recognised in profit or loss
Held-for-trading financial assets	690,285	(264,834)	–	1,051,395	(545,056)	931,790	(1,569)
Other equity instrument investments	12,289,669	–	1,483	1,035,999	(16,282)	13,310,869	–
Other non-current financial assets– others	12,345,278	(46,806)	–	729,303	(863,627)	12,164,148	(46,806)
Total	25,325,232	(311,640)	1,483	2,816,697	(1,424,965)	26,406,807	(48,375)

31 December 2025

	Opening balance	Total gain or loss for the year Included in Recognised in profit or loss	Other comprehensive income	Increase	Decrease	Closing balance	Changes in unrealized gains or losses for the year in which assets held at the end of the year are recognised in profit or loss
Held-for-trading financial assets	1,032,524	(749,214)	–	820,975	(414,000)	690,285	(121,690)
Other equity instrument investments	11,445,616	–	8,732	1,286,806	(451,485)	12,289,669	–
Other non-current financial assets– others	11,198,870	(681,971)	–	1,902,800	(74,421)	12,345,278	(678,471)
Total	23,677,010	(1,431,185)	8,732	4,010,581	(939,906)	25,325,232	(800,161)

X. DISCLOSURE OF FAIR VALUE (CONTINUED)

6. *Transfers Between Levels of the Fair Value Hierarchy in Ongoing Fair Value Measurement*

For the six months ended 30 June 2026, there was no transfer of fair value measurements between each level for both financial assets and other liabilities of the Group.

7. *Fair value of assets and liabilities that are not measured at fair values*

For the six months ended 30 June 2026

The following is a comparison of the carrying amounts and fair values of the Group's financial instruments, excluding those for which the carrying amount approximates the fair value:

	Carrying amount	Fair value
Financial liabilities		
Long-term loans	**67,661,656**	**68,327,913**
Bonds payable	**35,819,063**	**35,866,279**
total	**103,480,719**	**104,194,192**

2025

	Carrying amount	Fair value
Financial liabilities		
Long-term loans	61,457,377	62,265,597
Bonds payable	39,335,327	39,405,704
total	100,792,704	101,671,301

Fair value of long-term loans and bonds payable is determined by discounted future cash flow method, with market yield of other financial instruments with similar contractual terms, credit risk and remaining period, which used as the discount rate. As at 30 June 2026, its own default risk of long-term loans was evaluated as insignificant.

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. *Parent*

	Place of registration	Business scope	Registered capital	Percentage of ownership interest in the Company (%)	Percentage of voting rights in the Company (%)
China Railway Construction Corporation	Beijing	Construction and management	RMB9000000000	51.23	51.23

The ultimate controlling party of the Company is SASAC.

2. *Subsidiaries*

Please refer to Note VII. 1 "Subsidiaries".

3. *Joint ventures and associates*

Company name	Related party relationship
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Joint ventures
CRCC Shaanxi Highway Co., Ltd.	Joint ventures
Chongqing Wankaida Expressway Co., Ltd.	Joint ventures
Sichuan Nansuitong Expressway Co., Ltd	Joint ventures
Sichuan Suide Expressway Co., Ltd.	Joint ventures
Hunan Mengcheng Investment and Development Co., Ltd.	Joint ventures
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Joint ventures
Guiyang Changda Rail Transit Construction Co., Ltd.	Joint ventures
China Railway Construction & Investment Xi'an City Development Co., Ltd.	Joint ventures
Yangzhou Hangji Nanyuan Development Co., Ltd.	Joint ventures
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Joint ventures
Linqing Anrun Investment Development and Construction Co., Ltd.	Joint ventures
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Joint ventures
CRCC Shaanxi Meitai Expressway Co., Ltd.	Joint ventures
Ningxia Logistics Group Northern Railway Co., Ltd.	Joint ventures
Guangxi Urban Rail Engineering Construction Co., Ltd.	Joint ventures
Cangzhou Tieshi Urban Development Co., Ltd.	Joint ventures
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Joint ventures
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Joint ventures
Sichuan Chengmian Cangba Expressway Co., Ltd.	Joint ventures
Foshan Road and Bridge Prefabricated Components Co., Ltd.	Joint ventures
China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	Joint ventures
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	Joint ventures

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Joint ventures
Tianjin Line 1 Rail Transit Operation Co., Ltd.	Joint ventures
Chongqing Yusui Fuxian Highway Co., Ltd.	Joint ventures
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Joint ventures
Nanjing Jingrui Real Estate Investment Co., Ltd.	Joint ventures
Ningbo Jingsheng Real Estate Co., Ltd.	Joint ventures
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Joint ventures
Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	Joint ventures
Jinan Rail China Railway Segment Manufacturing Co., Ltd.	Joint ventures
BeiJing Xintiexinjian Investment Co., Ltd.	Joint ventures
Xixian New Area Xingchengrenju Real Estate Co., Ltd.	Joint ventures
Beijing Xinda Real Estate Co., Ltd.	Joint ventures
Changsha Zhicheng Real Estate Co., Ltd.	Joint ventures
Xi'an Kaishengda Real Estate Co., Ltd.	Joint ventures
Guangzhou Tieyue Real Estate Development Co., Ltd.	Joint ventures
Chengdu Zhongwan Yixing Real Estate Co., Ltd.	Joint ventures
Shunhao Real Estate Co., Ltd., Shunde District, Foshan City	Joint ventures
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	Joint ventures
Kunming Qiping Real Estate Co., Ltd.	Joint ventures
Chengdu Tiecheng Real Estate Co., Ltd.	Joint ventures
Suzhou Jingzhao Real Estate Development Co., Ltd.	Joint ventures
Chengdu Jinrui Bomao Real Estate Co., Ltd.	Joint ventures
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	Joint ventures
Guangde Railway Construction Jingji Equity Investment Fund Partnership Enterprise (Limited Partnership)	Joint ventures
Tianjin Tiejian Yinkun Equity Investment Partnership Enterprise (Limited Partnership)	Joint ventures
China-Africa Lekkil Investment Co., Ltd.	Joint ventures
Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	Joint ventures
Zunyi High Speed Rail New City Development and Investment Co., Ltd.	Joint ventures
CRCC Kunlun Yunnan Real Estate Co., Ltd.	Joint ventures
Chongqing Tiefa Jianxin Highway Co., Ltd.	Joint ventures
Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	Joint ventures
Chengdu Chuangcheng Real Estate Co., Ltd.	Joint ventures
Nanchang Xintiecheng Construction Co., Ltd.	Joint ventures
Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	Joint ventures
Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	Joint ventures
Hubei Lvchuang Construction Co., Ltd.	Joint ventures
Jiashan Chengfa Construction and Development Co., Ltd.	Joint ventures
Shiyan Luxiang Transportation Investment Co., Ltd.	Joint ventures
Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	Joint ventures
Guangzhou Suiyun Real Estate Co., Ltd.	Joint ventures
Chengdu Yuelin Real Estate Co., Ltd.	Joint ventures

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Suzhou Ruihua Real Estate Co., Ltd.	Joint ventures
Luoyang Guozhan New Industry Development Co., Ltd.	Joint ventures
Beijing Ruida Real Estate Co., Ltd.	Joint ventures
Nanchang Zhubang Construction Co., Ltd.	Joint ventures
Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	Joint ventures
Changji Denggao Engineering Management Service Co., Ltd.	Joint ventures
Hunan Tongxi Real Estate Co., Ltd.	Joint ventures
Chongqing Liangkai Expressway Co., Ltd.	Joint ventures
Chengdu China Railway Huafu Real Estate Co., Ltd.	Joint ventures
Ningbo Jinghai Investment Management Co., Ltd.	Joint ventures
Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	Joint ventures
Hebei China Railway Cangyan Construction Technology Co., Ltd.	Joint ventures
Beijing Jiehai Real Estate Co., Ltd.	Joint ventures
Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	Joint ventures
Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	Joint ventures
Shijiazhuang Jiasheng Pipe Gallery Engineering Co., Ltd.	Joint ventures
Nanjing Jingsheng Real Estate Development Co., Ltd.	Joint ventures
Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	Joint ventures
Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	Joint ventures
CRCC (Wuxi) Engineering Technology Development Co., Ltd.	Joint ventures
China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	Joint ventures
Guigang Hesi Quanyu Tourism Development Co., Ltd.	Joint ventures
Tianjin Wanhe Real Estate Co., Ltd.	Joint ventures
Fuzhou Xinchen Real Estate Co., Ltd.	Joint ventures
Changchun Jingde Real Estate Development Co., Ltd.	Joint ventures
Ningbo Jingwan Investment Management Co., Ltd.	Joint ventures
Beijing Liuzhuang Real Estate Co., Ltd.	Joint ventures
Deqing Jingsheng Real Estate Development Co., Ltd.	Joint ventures
Hangzhou Fuyang Donghe Construction and Development Co., Ltd.	Joint ventures
Changsha Yuchi River Basin Development and Investment Co., Ltd.	Joint ventures
Chongqing Jianlian New Real Estate Development Co., Ltd.	Joint ventures
CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	Joint ventures
Dong'e Huicheng Investment Development and Construction Co., Ltd.	Joint ventures
Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	Joint ventures
China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	Joint ventures
Hohhot Metro Line 2 Construction & Management Co., Ltd.	Joint ventures
Tianjin Urban Construction Jinyu Real Estate Co., Ltd.	Joint ventures
Ningxia Yinxing Tiefa Engineering Management Co., Ltd.	Joint ventures
Chongqing Nanchuan Changyun Construction and Development Co., Ltd.	Joint ventures
Tianjin China Railway Huituo Real Estate Co., Ltd.	Joint ventures

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Hebei Canggang Railway Construction and Transportation Co., Ltd.	Joint ventures
Jiangsu Yinbao Gangkai Construction Co., Ltd.	Joint ventures
Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	Joint ventures
China Railway Construction Port and Navigation Bureau Group Qingyuan Port Feilaixia Port Co., Ltd.	Joint ventures
Shenyang Jiabai Real Estate Co., Ltd.	Joint ventures
Chongqing China Railway Construction Industrial Co., Ltd.	Joint ventures
Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	Joint ventures
Guangxi Shatie Railway Co., Ltd.	Joint ventures
Suzhou Jinghong Real Estate Development Co., Ltd.	Joint ventures
Shihezi Zhucheng Mineral Development Co., Ltd.	Joint ventures
Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	Joint ventures
Kunming Tiexin Construction Engineering Management Co., Ltd.	Joint ventures
Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	Joint ventures
Shandong Chengtai Fangqiao Intelligent Manufacturing Co., Ltd.	Joint ventures
Nanchang Railway Building Materials Co., Ltd.	Joint ventures
Hubei Railway Green Building Materials Co., Ltd.	Joint ventures
Lipu Putie Building Materials Co., Ltd.	Joint ventures
Yunnan Luqiu Guangfu Expressway Investment and Development Co., Ltd.	Joint ventures
Wuhu Yangtze River Tunnel Co., Ltd.	Joint ventures
Wuhan Tongtong Tunnel Construction Investment Co., Ltd.	Joint ventures
Shenyang Aviation Industry Park Development Co., Ltd.	Joint ventures
Guizhou Tongxin Expressway Development Co., Ltd.	Joint ventures
Kunming Kunlun Shouzhi Real Estate Co., Ltd.	Joint ventures
Wuhan Jinkun Real Estate Development Co., Ltd.	Joint ventures
Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	Joint ventures
China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	Joint ventures
Guizhou Guijin Expressway Co., Ltd.	Joint ventures
Baoding Hongmao Real Estate Development Co., Ltd.	Joint ventures
Yunnan Luxun Highway Co., Ltd.	Joint ventures
Dalian Wancheng Zhiguang Real Estate Co., Ltd.	Joint ventures
Sichuan Da Nei Expressway Co., Ltd.	Joint ventures
China Railway Construction Group Jinhua Urban Development Co., Ltd.	Joint ventures
Shanghai Hongjun Real Estate Development Co., Ltd.	Joint ventures
Hangzhou Jingjiang Real Estate Development Co., Ltd.	Joint ventures
Changchun Hengzhuo Real Estate Development Co., Ltd.	Joint ventures
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Associates
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Associates
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Associates
Zhaotong Mayi Expressway Investment and Development Co., Ltd.	Associates
Guizhou Wengma Railway North South Extension Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. *Joint ventures and associates (Continued)*

Company name	Related party relationship
CRCC East China (Cixi) Construction Co., Ltd.	Associates
Wuxue Port Multimodal Transport Investment Development Co., Ltd.	Associates
Hainan Jinfa Railway Construction Port Construction Co., Ltd.	Associates
Guizhou Gui'an Expressway Co., Ltd.	Associates
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Associates
Jinan Tieying Urban-Rural Construction Co., Ltd.	Associates
Hubei Jiaotou Shuangliu Yangtze River Bridge Co., Ltd.	Associates
Zhaotong Yibi Expressway Investment and Development Co., Ltd.	Associates
Yongzhou Railway Co., Ltd.	Associates
Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	Associates
Henan Xuwei Ring Expressway Co., Ltd.	Associates
Xinxiang Xinchuang Technology Investment and Development Co., Ltd.	Associates
Guizhou Jinrentong Expressway Development Co., Ltd.	Associates
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	Associates
Anhui Huiyu Construction Engineering Co., Ltd.	Associates
Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	Associates
Shaanxi Luolu Expressway Co., Ltd.	Associates
Taiyuan Airport Hub Investment and Construction Co., Ltd.	Associates
Tianshui Tram Co., Ltd.	Associates
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co.,Ltd.	Associates
Hangqu Railway Co., Ltd.	Associates
Kunming Fuyi Highway Co., Ltd.	Associates
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	Associates
Shanghai Gangheng Real Estate Co., Ltd.	Associates
Guangzhou ShengDu Investment Development Co., Ltd.	Associates
Sichuan Jintou Project Investment Co., Ltd.	Associates
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	Associates
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Associates
Ningxia High-speed Rail Industry Development Co., Ltd.	Associates
Xinjiang Shuifa Yaochi Project Management Co., Ltd.	Associates
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Associates
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Associates
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Associates
Yunnan Chuda Expressway Investment and Development Co., Ltd.	Associates
Ningxia Chengxin Railway Logistics Co., Ltd.	Associates
Fuzhou Donglin Ring Expressway Co., Ltd.	Associates
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Associates
Taiyuan Airport Hub Real Estate Co., Ltd.	Associates
Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Tongling Guanghe High-Tech Energy Technology Co., Ltd.	Associates
Guangxi Yujin Investment Development Co., Ltd.	Associates
Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	Associates
Shanghai Jingmao Yue Real Estate Co., Ltd.	Associates
China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	Associates
Shaanxi Huangpu Expressway Co., Ltd.	Associates
CRCC Sichuan Dedu Highway Co., Ltd.	Associates
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	Associates
China Railway Construction Ningxia Expressway Co., Ltd.	Associates
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	Associates
China Railway Construction Sichuan Dejian Expressway Co., Ltd.	Associates
Kunming Sanqing Highway Co., Ltd.	Associates
CRCC (Shandong) Gaodong Highway Co., Ltd.	Associates
CRCC Hunan Expressway Co., Ltd.	Associates
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Associates
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Associates
Changzhou Jingrui Real Estate Development Co., Ltd.	Associates
Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	Associates
Guizhou Wengma Railway Co., Ltd.	Associates
Wuhan Zhaorui Real Estate Co., Ltd.	Associates
Sanya Zhongcheng Real Estate Co., Ltd.	Associates
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	Associates
Guangde Railway Construction Chuangxin Investment Partnership Enterprise (Limited Partnership)	Associates
Guangde Railway Construction Chuncheng Rail Transit Equity Investment Partnership Enterprise (Limited Partnership)	Associates
Guangde CRCC Daqin Investment Partnership Enterprise (Limited Partnership)	Associates
Tianjin Tiejian Hongtu Fengchuang Investment Partnership (Limited Partnership)	Associates
Tiejian Jingsui Equity Investment (Tianjin) Partnership Enterprise (Limited Partnership)	Associates
South to North Water Diversion Railway Construction New Energy (Beijing) Co., Ltd.	Associates
CRCC Luoyang Guozhan Development and Construction Co., Ltd	Associates
CRCC Guizhou Engineering Investment Co., Ltd	Associates
Zhaotong Dayong Expressway Investment and Development Co., Ltd.	Associates
Sichuan Tianmeile Highway Co., Ltd.	Associates
Yuxi China Railway Infrastructure Construction Co., Ltd.	Associates
Yangzhou Wantou Jade Feature Town Co., Ltd.	Associates
Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	Associates
Guigang Western Outer Ring Road Highway Co., Ltd.	Associates
Huaibei Zhongsui Construction Development Co., Ltd.	Associates
Jianghua Fengcheng Construction Investment Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. *Joint ventures and associates (Continued)*

Company name	Related party relationship
Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	Associates
Qingdao Metro Line 4 Co., Ltd.	Associates
Jiangxi Leshui Ecotourism Development Co., Ltd.	Associates
Sichuan Tiexin Zhiyuan Construction Co., Ltd.	Associates
Ma'anshan Zhengpugang Railway Co., Ltd.	Associates
Shanxi Lihuo Expressway Co., Ltd.	Associates
Guizhou Baoyuan Real Estate Co., Ltd.	Associates
Jiangxi Wanshui Ecological Resources Development Co., Ltd.	Associates
CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	Associates
Chongqing Monorail Transit Engineering Group Co., Ltd.	Associates
Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	Associates
Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	Associates
Jiangxi Ganjishui Ecological Development Co., Ltd.	Associates
Siping Comprehensive Pipe Gallery Construction and Operation Co., Ltd.	Associates
Shanghai Wanjinglong Real Estate Co., Ltd.	Associates
Zaozhuang Jinjie Construction Investment Co., Ltd.	Associates
Xixian New Area Century Pipe Gallery Construction Management Co., Ltd.	Associates
Qingdao Urban Construction Investment Intelligent Construction Technology Co., Ltd.	Associates
Nantong Yanglu Railway Development and Construction Co., Ltd.	Associates
Xinjiang Water Development Heavy Industry Co., Ltd.	Associates
Nanjing Jingyue Real Estate Development Co., Ltd.	Associates
Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.	Associates
Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	Associates
Tianshui Tonghao Tram Co., Ltd.	Associates
Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	Associates
CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.	Associates
Three Gorges Riqing Juzhang River Ecological Governance (Dangyang) Co., Ltd.	Associates
Xuzhou Jiaokong Supply Chain Co., Ltd.	Associates
Jianyang Railway Construction Hexing Highway Investment Co., Ltd.	Associates
Tangshan Shengao Railway Development Co., Ltd.	Associates
Lanzhou Zhengda Pipe Gallery Project Management Co., Ltd.	Associates
Xuzhou Runjian Pipe Gallery Construction and Management Co., Ltd.	Associates
Gansu Jingli Expressway Longnan Management Co., Ltd.	Associates
Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	Associates
Chongqing Pinjinyue Real Estate Development Co., Ltd.	Associates
Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
CRCC Xinjiang Jingxin Expressway Co., Ltd.	Associates
Nanning Zongheng Shilin Lijiayuan Engineering Management Co., Ltd.	Associates
Lanzhou Matan Pipe Gallery Project Management Co., Ltd.	Associates
Chongqing Daishan Construction and Development Co., Ltd.	Associates
Gansu Public Aviation Travel Suwu Tonghang Industry Co., Ltd.	Associates
China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	Associates
China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	Associates
Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.	Associates
Fujian Green Energy Construction Development Co., Ltd.	Associates
Fujian Ronghui Construction Development Co., Ltd.	Associates
Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	Associates
China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	Associates
China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	Associates
Liaocheng Xurui Municipal Engineering Co., Ltd.	Associates
Nanjing Yuanchen Real Estate Co., Ltd.	Associates
Yangzhou Jingteng Real Estate Co., Ltd.	Associates
Gansu Zhuzhong Railway Co., Ltd.	Associates
CRCC Investment Jizhong Development and Construction Co., Ltd.	Associates
Guangxi Liubin Expressway Construction and Development Co., Ltd.	Associates
Shandong Zhicheng Industrial Development Co., Ltd.	Associates
Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	Associates
Zhaotong Weiyi Expressway Investment and Development Co., Ltd.	Associates
CRCC Investment Baoding Urban Development and Construction Co., Ltd.	Associates
China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	Associates
Anqing High speed Railway New Area Construction Investment Co., Ltd.	Associates
Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	Associates
Zhaotong Kunqiao Expressway Investment and Development Co., Ltd.	Associates
Hubei Jiaotou Jiangling Yangtze River Bridge Co., Ltd.	Associates
Taiyuan Existing Residential Energy Conservation Renovation Project Management Co., Ltd.	Associates
China Railway Construction Beishui (Putian) Water Co., Ltd.	Associates
China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	Associates
Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	Associates
Zhengzhou Jiaotou East Fourth Ring Project Management Co., Ltd.	Associates
Liaocheng Rongxing Construction Investment Co., Ltd.	Associates
Wantong Intercity Railway Co., Ltd.	Associates
Sichuan Jinsuiyuan Construction Development Co., Ltd.	Associates
Tianjin Bincheng Meihaoshenghuo Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Shandong High-speed Railway Construction Equipment Co., Ltd.	Associates
Changde Yuanjiang Tunnel Co., Ltd.	Associates
Hengda Real Estate (Shenzhen) Co., Ltd.	Associates
Yunnan Gangcheng Infrastructure Construction Co., Ltd.	Associates
Bengbu Hengjian Construction Co., Ltd.	Associates
Changchun Nonggaoling Development Park Management Service Co., Ltd.	Associates
Jishou Jiyun Construction Project Management Co., Ltd.	Associates
Chongqing Liangping Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	Associates
Chongqing Jiangjin Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	Associates
Hubei Railway Group Dangyuan Co., Ltd.	Associates
Quanzhou Futie Construction Investment Co., Ltd.	Associates
Jining China Railway Shengtong Urban Construction and Development Co.,Ltd.	Associates
Gansu Dundang Expressway Project Management Co., Ltd.	Associates
CRCC Real Estate Co., Ltd.	Associates
Shandong Expressway Jinghu Expressway Co., Ltd.	Associates
Heshan No.18 Engineering Construction Co., Ltd.	Associates
Jishou Donghe Shed Renovation Project Management Co., Ltd.	Associates
Chengdu Yueran Real Estate Co., Ltd.	Associates
Hubei Railway Group Ziyun Co., Ltd.	Associates
Nanping New City Port Development Co., Ltd.	Associates
Yangjiang Zhongcai Railway Construction Project Management Co., Ltd.	Associates
Chongqing Tongsheng Infrastructure Construction Co., Ltd.	Associates
Hangzhou Jiandejiang Investment Co., Ltd.	Associates
CRCC Development (Rizhao) Environmental Protection Co., Ltd.	Associates
Liuzhou North City China Railway Beijin Project Management Co., Ltd.	Associates
Tiexin Tongda (Shenzhen) Infrastructure Investment Partnership Enterprise (Limited Partnership)	Associates
Tiexin Changda (Shenzhen) Infrastructure Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	Associates
Shandong Expressway New Material Technology Co., Ltd.	Associates
Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	Associates
Gansu Tietou Materials Co., Ltd.	Associates
Shenzhen Building Materials Trading Group Construction Technology Co., Ltd.	Associates
Nantong Tiejian Construction Components Co., Ltd.	Associates
Xiamen Road and Bridge Construction Group Engineering Co., Ltd.	Associates
Chengdu Chengtou Urban Construction Technology Co., Ltd.	Associates
Anhui Comprehensive Transportation Research Institute Co., Ltd.	Associates
Zhuhai Jiaojian Engineering Co., Ltd.	Associates
Dongying Jiaofa Smart Logistics Information Service Co., Ltd.	Associates
Wuhan Green Shade Ecological Environment Technology Co., Ltd.	Associates

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates (Continued)

Company name	Related party relationship
Kunshan Transportation Construction Environmental Protection Prefabricated Components Co., Ltd.	Associates
Bay Area (Guangdong) Construction Assembly Technology Co., Ltd.	Associates
Gansu Jinhe Expressway Project Management Co., Ltd.	Associates
China Railway Dongjin Lijin Bridge Management Co., Ltd.	Associates
Liuzhou Beicheng China Railway Project Management Co., Ltd.	Associates
Yunnan Binnan Expressway Co., Ltd.	Associates
Tianjin Ninghe Rural Highway Engineering Co., Ltd.	Associates
Hangzhou Xiasha Road Tunnel Co., Ltd.	Associates
Hunan Maglev Transportation Development Co., Ltd.	Associates
Beijing Urban Railway Construction Rail Transit Investment and Development Co., Ltd.	Associates
Chongqing Gaotiefa Commercial Factoring Co., Ltd.	Associates
China Railway Investment Wenyu (Taizhou) Railway Co., Ltd.	Associates
China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.	Associates
Guangzhou Hongxuan Real Estate Co., Ltd.	Associates
Guangzhou Baorui Real Estate Development Co., Ltd.	Associates
Guangzhou Hongjia Real Estate Development Co., Ltd.	Associates
Guangzhou Jingye Real Estate Development Co., Ltd.	Associates
Hefei Jingshang Real Estate Development Co., Ltd.	Associates
Ningbo Runsheng Real Estate Development Co., Ltd.	Associates
CRCC Gansu Zhangbian Highway Co., Ltd.	Associates
Zhangjiakou Hong'ao Infrastructure Construction and Development Co., Ltd.	Associates
Anhui Zhenrui Construction Engineering Co., Ltd.	Subsidiary of a joint venture
Shandong Industry Research Institute of Ecological Environment Co., Ltd.	Subsidiary of a joint venture
Shanghai Jingmiaoxin Real Estate Co., Ltd.	Subsidiary of a joint venture
Guangzhou Huadu Chengrui Construction Co., Ltd.	Subsidiary of an associate
Chongqing Mingbing Real Estate Development Co., Ltd.	Subsidiary of an associate
Qingzhou Wenze Cultural Tourism Industry Investment Co., Ltd.	Subsidiary of an associate
Chongqing Mingqin Real Estate Development Co., Ltd.	Subsidiary of an associate
Zhengzhou Communications Investment Lvbo Project Management Co., Ltd.	Subsidiary of an associate
Shandong High Speed Transportation Equipment Co., Ltd.	Subsidiary of an associate

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. *Joint ventures and associates (Continued)*

Company name	Related party relationship
Chongqing Monorail Construction Technology Co., Ltd.	Subsidiary of an associate
Shanghai Xinjinghui Real Estate Development Co., Ltd.	Subsidiary of an associate
Shanghai Xinfucheng Real Estate Development Co., Ltd.	Subsidiary of an associate
Shanghai Xinruicheng Real Estate Development Co., Ltd.	Subsidiary of an associate

4. *Other related parties*

Other related parties	Related party relationship
CRCC Financial Leasing Co., Ltd.	Entity under common control of the same parent company
CRCC JinLi Asset Management Co., Ltd.	Entity under common control of the same parent company
Shaanxi Railway Engineering Survey Co.,Ltd.	Joint venture of an entity under common control of the same parent company
Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	Joint venture of an entity under common control of the same parent company
Shaanxi Gerui Environmental Governance Co., Ltd.	Joint venture of an entity under common control of the same parent company
Gansu Railway Comprehensive Engineering Survey Institute Co., Ltd.	Joint venture of an entity under common control of the same parent company
China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	Joint venture of an entity under common control of the same parent company
Gansu Huantong Engineering Test and Inspection Co., Ltd.	Joint venture of an entity under common control of the same parent company
Xinjiang Railway Survey and Design Institute Co., Ltd.	Joint venture of an entity under common control of the same parent company
Qinghai Railway Engineering Survey Co., Ltd.	Joint venture of an entity under common control of the same parent company

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions

(1) Transactions of goods and services with related parties

Selling goods and providing services to related parties (Note 1)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	Engineering contracting revenue	**1,015,418**	731,752
Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	Engineering contracting revenue	**1,013,676**	1,171,859
Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	Engineering contracting revenue	**850,557**	444,542
Guizhou Wengma Railway North South Extension Co., Ltd.	Engineering contracting revenue	**438,528**	295,264
CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	Engineering contracting revenue	**416,966**	1,650,996
CRCC East China (Cixi) Construction Co., Ltd.	Engineering contracting revenue	**367,197**	341,307
Wuxue Port Multimodal Transport Investment Development Co., Ltd.	Engineering contracting revenue	**328,094**	432,887
Hainan Jinfa Railway Construction Port Construction Co., Ltd.	Engineering contracting revenue	**327,475**	305,667
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	Engineering contracting revenue	**313,138**	3,602,156
CRCC Shaanxi Highway Co., Ltd.	Engineering contracting revenue	**309,103**	241,622
Chongqing Wankaida Expressway Co., Ltd.	Engineering contracting revenue	**235,646**	491,402
Hubei Jiaotou Shuangliu Yangtze River Bridge Co., Ltd.	Engineering contracting revenue	**218,617**	–
Zhaotong Yibi Expressway Investment and Development Co., Ltd.	Engineering contracting revenue	**207,077**	–
Yongzhou Railway Co., Ltd.	Engineering contracting revenue	**206,521**	163,320

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. *Related party transactions (Continued)*

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	Engineering contracting revenue	**202,924**	45,510
Henan Xuwei Ring Expressway Co., Ltd.	Engineering contracting revenue	**185,389**	–
Sichuan Nansuitong Expressway Co., Ltd	Engineering contracting revenue	**176,923**	384,792
Xinxiang Xinchuang Technology Investment and Development Co., Ltd.	Engineering contracting revenue	**176,275**	350,795
Sichuan Suide Expressway Co., Ltd.	Engineering contracting revenue	**173,598**	62,575
CRCC (Tianjin) Rail-Transit Investment Build Co., Ltd.	Engineering contracting revenue	**158,907**	225,748
Guiyang Changda Rail Transit Construction Co., Ltd.	Engineering contracting revenue	**141,710**	283,710
China Railway Construction & Investment Xi'an City Development Co., Ltd.	Engineering contracting revenue	**140,725**	317,842
Guizhou Jinrentong Expressway Development Co., Ltd.	Engineering contracting revenue	**139,152**	61,366
Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	Engineering contracting revenue	**135,151**	41,300
Anhui Huiyu Construction Engineering Co., Ltd.	Engineering contracting revenue	**131,425**	204,576
Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	Engineering contracting revenue	**121,216**	97,098
Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	Engineering contracting revenue	**117,882**	108,286

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Shaanxi Luolu Expressway Co., Ltd.	Engineering contracting revenue	**112,560**	180,411
Tianshui Tram Co., Ltd.	Engineering contracting revenue	**99,186**	261,651
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Engineering contracting revenue	**96,628**	417,052
Hangqu Railway Co., Ltd.	Engineering contracting revenue	**95,261**	911,413
Kunming Fuyi Highway Co., Ltd.	Engineering contracting revenue	**93,657**	51,362
CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	Engineering contracting revenue	**92,671**	97,783
Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	Engineering contracting revenue	**89,145**	154,112
Shanghai Gangheng Real Estate Co., Ltd.	Engineering contracting revenue	**87,073**	88,702
Guangzhou ShengDu Investment Development Co., Ltd.	Engineering contracting revenue	**83,688**	83,194
Sichuan Jintou Project Investment Co., Ltd.	Engineering contracting revenue	**80,903**	50,588
Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	Engineering contracting revenue	**78,349**	200,457
CRCC Shaanxi Meitai Expressway Co., Ltd.	Engineering contracting revenue	**72,033**	98,464
Ningxia Logistics Group Northern Railway Co., Ltd.	Engineering contracting revenue	**71,814**	62,321
Guangxi Urban Rail Engineering Construction Co., Ltd.	Engineering contracting revenue	**69,556**	251,543
CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	Engineering contracting revenue	**68,994**	70,042
Cangzhou Tieshi Urban Development Co., Ltd.	Engineering contracting revenue	**64,971**	38,190

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. *Related party transactions (Continued)*

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	Engineering contracting revenue	**62,834**	194,484
Ningxia High-speed Rail Industry Development Co., Ltd.	Engineering contracting revenue	**62,493**	237,694
Xinjiang Shuifa Yaochi Project Management Co., Ltd.	Engineering contracting revenue	**60,142**	107,512
Yunnan Kunchu Highway Investment & Development Co., Ltd.	Engineering contracting revenue	**55,522**	32,460
Shaanxi Guanhuan Linfa Expressway Co., Ltd.	Engineering contracting revenue	**53,501**	235,001
Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	Engineering contracting revenue	**50,052**	184,240
Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	Engineering contracting revenue	**49,724**	355,127
Sichuan Chengmian Cangba Expressway Co., Ltd.	Engineering contracting revenue	**48,471**	880,094
Foshan Road and Bridge Prefabricated Components Co., Ltd.	Engineering contracting revenue	**48,398**	89,849
China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	Engineering contracting revenue	**48,083**	994,519
China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	Engineering contracting revenue	**44,706**	102,030
Yunnan Chuda Expressway Investment and Development Co., Ltd.	Engineering contracting revenue	**38,157**	106,009
Ningxia Chengxin Railway Logistics Co., Ltd.	Engineering contracting revenue	**37,476**	69,380
Fuzhou Donglin Ring Expressway Co., Ltd.	Engineering contracting revenue	**36,558**	56,990
Hangzhou Lin'an Xingsheng Construction Investment Co., Ltd.	Engineering contracting revenue	**31,690**	92,139

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 1) (Continued)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Taiyuan Airport Hub Real Estate Co., Ltd.	Engineering contracting revenue	**31,385**	55,850
Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	Engineering contracting revenue	**31,089**	31,209
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	Engineering contracting revenue	**29,650**	23,623
Tongling Guanghe High-Tech Energy Technology Co., Ltd.	Engineering contracting revenue	**26,349**	177,046
Guangxi Yujin Investment Development Co., Ltd.	Engineering contracting revenue	**24,972**	29,115
Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	Engineering contracting revenue	**24,323**	101,542
Shanghai Jingmao Yue Real Estate Co., Ltd.	Engineering contracting revenue	**22,933**	186,879
Tianjin Line 1 Rail Transit Operation Co., Ltd.	Engineering contracting revenue	**22,024**	32,742
Chongqing Yusui Fuxian Highway Co., Ltd.	Engineering contracting revenue	**20,264**	46,991
Chongqing Yuxiang Fuxian Highway Co., Ltd.	Engineering contracting revenue	**9,258**	527,671
Nanjing Jingrui Real Estate Investment Co., Ltd.	Engineering contracting revenue	**43**	634,002
Ningbo Jingsheng Real Estate Co., Ltd.	Engineering contracting revenue	**9**	640,913
China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	Engineering contracting revenue	**–**	653,651
Others	Engineering contracting revenue	**4,487,793**	10,173,869
Total	Engineering contracting revenue	**15,063,678**	32,126,288

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 2)

Company name		Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
CRCC Financial Leasing Co., Ltd.	*Note5*	Revenue from sale of goods or rendering of services	**364,813**	251,958
Sichuan Chengmian Cangba Expressway Co., Ltd.		Revenue from sale of goods or rendering of services	**41,027**	7,930
Yunnan Kunchu Highway Investment & Development Co., Ltd.		Revenue from sale of goods or rendering of services	**29,085**	15,237
China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.		Revenue from sale of goods or rendering of services	**28,676**	24,627
Shaanxi Huangpu Expressway Co., Ltd.		Revenue from sale of goods or rendering of services	**22,016**	11,498
CRCC Sichuan Dedu Highway Co., Ltd.		Revenue from sale of goods or rendering of services	**21,483**	21,203
CRCC Shandong Jixu Expressway Jiyu Co., Ltd.		Revenue from sale of goods or rendering of services	**19,285**	19,316
CRCC Shaanxi Highway Co., Ltd.		Revenue from sale of goods or rendering of services	**19,210**	15,678
China Railway Construction Ningxia Expressway Co., Ltd.		Revenue from sale of goods or rendering of services	**18,538**	22,772
China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.		Revenue from sale of goods or rendering of services	**18,479**	33,224
Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.		Revenue from sale of goods or rendering of services	**17,145**	1,468
China Railway Construction Sichuan Dejian Expressway Co., Ltd.		Revenue from sale of goods or rendering of services	**15,957**	15,887

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Selling goods and providing services to related parties (Note 2) (Continued)

Company name	Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
Kunming Sanqing Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**14,991**	31,028
Sichuan Suide Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**13,793**	1,742
CRCC (Shandong) Gaodong Highway Co., Ltd.	Revenue from sale of goods or rendering of services	**13,068**	13,069
CRCC Hunan Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**12,624**	13,952
Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	Revenue from sale of goods or rendering of services	**12,109**	3,962
China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**7,957**	7,795
Sichuan Nansuitong Expressway Co., Ltd	Revenue from sale of goods or rendering of services	**7,604**	7,626
China Railway Construction and Investment Shanxi Expressway Co., Ltd.	Revenue from sale of goods or rendering of services	**5,882**	8,551
Changzhou Jingrui Real Estate Development Co., Ltd.	Revenue from sale of goods or rendering of services	**5,858**	8,501
Others	Revenue from sale of goods or rendering of services	**84,199**	75,333
Total		**793,799**	612,357

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) Transactions of goods and services with related parties (Continued)

Purchasing goods and receiving services from related parties (Note 3)

Company name		Transaction details	For the six months end 30 June 2026	For the six months end 30 June 2025
CRCC Financial Leasing Co., Ltd.	*Note5*	Expenditures for purchasing goods and receiving services	**298,908**	147,155
Shaanxi Railway Engineering Survey Co.,Ltd.		Expenditures for purchasing goods and receiving services	**86,240**	129,884
Jinan Rail China Railway Segment Manufacturing Co., Ltd.		Expenditures for purchasing goods and receiving services	**79,117**	79,059
Gansu Railway Comprehensive Engineering Survey Institute Co., Ltd.		Expenditures for purchasing goods and receiving services	**43,631**	127,162
Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.		Expenditures for purchasing goods and receiving services	**–**	198,993
Others		Expenditures for purchasing goods and receiving services	**313,156**	684,225
Total			**821,052**	1,366,478

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related party leasing

As the lessee

Lessor		Leasing asset types	For the six months end 30 June 2026	For the six months end 30 June 2025
CRCC Financial Leasing Co., Ltd.	*Note4、5、6、7*	Machinery and equipment	819,826	1,179,252
CRCC Financial Leasing Co., Ltd.	*Note4、5、6、7*	Buildings and structures	4,731	2,375
China Railway Construction Corporation	*Note4、5、6、7*	Buildings and structures	54,760	9,189
CRCC Jinli Asset Management Co., Ltd.	*Note4、5、6、7*	Buildings and structures	9,432	18,341
Total			888,749	1,209,157

(3) Guarantees granted to related parties

Guarantees granted to a related party

Secured party	Amount of guarantee	Inception of guarantee	Termination of guarantee	Whether the guarantee is fulfilled
Guizhou Wengma Railway Co., Ltd.	587,896	2016-03-31	2039-03-31	No
Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	649,556	2022-06-14	2031-12-21	No
Wuhan Zhaorui Real Estate Co., Ltd.	125,425	2022-08-17	2027-12-30	No

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(4) Related party borrowings

	Amount borrowed	Start date of loan	Due date of loan
Funds lent out			
For the six months end 30 June 2026			
Beijing Xinda Real Estate Co., Ltd.	37,260	09 January 2026	09 January 2028
Changsha Zhicheng Real Estate Co., Ltd.	500	18 June 2026	31 December 2026
Total	37,760		

	Amount borrowed	Start date of loan	Due date of loan
Funds lent out			
For the six months end 30 June 2025			
Beijing Xinda Real Estate Co., Ltd.	1,549,270	10 January 2025	No fixed due date
Xi'an Kaishengda Real Estate Co., Ltd.	552,086	13 January 2025	No fixed due date
Guangzhou Tieyue Real Estate Development Co., Ltd.	261,683	3 January 2025	No fixed due date
Chengdu Zhongwan Yixing Real Estate Co., Ltd.	18,839	28 March 2025	No fixed due date
Sanya Zhongcheng Real Estate Co., Ltd.	4,829	17 January 2025	19 January 2028
Total	2,386,707		

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. *Related party transactions (Continued)*

(5) Key management's remuneration

	For the six months end 30 June 2026	For the six months end 30 June 2025
Key management's remuneration	**4,631**	5,477

(6) Other related party transactions

	For the six months end 30 June 2026	For the six months end 30 June 2025
Other income *(Note 4)*		
Shunhao Real Estate Co., Ltd., Shunde District, Foshan City	**172,176**	–
Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	**49,626**	49,459
Kunming Qiping Real Estate Co., Ltd.	**19,887**	21,634
Chengdu Tiecheng Real Estate Co., Ltd.	**18,330**	17,851
Wuhan Zhaorui Real Estate Co., Ltd.	**16,851**	8,745
China Railway Construction Corporation	**15,714**	12,266
Guangzhou Nansha Kecheng Investment Development Co., Ltd.	**15,217**	16,338
Suzhou Jingzhao Real Estate Development Co., Ltd.	**10,644**	10,644
Guangzhou ShengDu Investment Development Co., Ltd.	**9,574**	24,222
China Railway Construction & Investment Xi'an City Development Co., Ltd.	**8,312**	4,459
CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	**7,015**	3,272
Chongqing Mingbing Real Estate Development Co., Ltd.	**5,728**	–
Chengdu Jinrui Bomao Real Estate Co., Ltd.	**–**	20,383
Others	**17,520**	85,840
Total	**366,594**	275,113

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. *Related party transactions (Continued)*

(6) Other related party transactions (Continued)

	For the six months end 30 June 2026	For the six months end 30 June 2025
Other expenses *(Note 3)*		
Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	**55,000**	90,490
China Railway Construction Corporation	**24,819**	24,876
BeiJing Xintiexinjian Investment Co., Ltd.	**6,855**	–
Yunnan Kunchu Highway Investment & Development Co., Ltd.	**4,679**	–
Others	**34,332**	23,407
Total	**125,685**	138,773

Note 1: The terms of the construction service agreements entered into by the Group and related parties were mutually agreed by the parties.

Note 2: The terms of the contracts on sales of goods or provision of services entered into by the Group and related parties were mutually agreed by the parties.

Note 3: The terms of the purchase agreements of goods and services entered into by the Group and related parties were mutually agreed by the parties. The other income from related parties was mainly interest income from loans receivable.

Note 4: The above related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

Note 5: The terms of the agreements relating to rendering or receiving of other services entered into by the Group and related parties were mutually agreed by the parties.

Note 6: The lease fees recognised by the Group and its affiliated companies are dependent on the lease payments paid by the Group to repay the lease liabilities in the current period and the short-term leases and low-value asset leases included in the current profit and loss.

Note 7: According to the Announcement of China Railway Construction Corporation Limited, the cap amount of expenditure payable by the Group for leasing properties and land use rights from China Railway Construction Corporation is RMB200,000,000. The cap amount of expenditure payable by the Group in respect of the services provided by China Railway Construction Corporation is RMB1,000,000,000. The cap amount of finance cost is RMB105,000,000. The cap amount of lease transaction between the Group and CRCC Financial Leasing Co., Ltd. is RMB4,500,000,000. The cap amount of equipment sales between the Group and CRCC Financial Leasing Co., Ltd. is RMB2,600,000,000.

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties*

(1) Accounts receivable

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Bills receivable	*Note1*	Taiyuan Airport Hub Real Estate Co., Ltd.	8,354	131	–	–
Bills receivable	*Note1*	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	–	–	13,871	–
Bills receivable	*Note1*	Others	2,840	5	71	–
Total			11,194	136	13,942	–
Trade receivables	*Note1*	CRCC Luoyang Guozhan Development and Construction Co., Ltd	493,530	17,602	500,202	17,602
Trade receivables	*Note1*	CRCC Guizhou Engineering Investment Co., Ltd	426,990	79,560	426,990	79,560
Trade receivables	*Note1*	CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	372,253	423	148,768	2
Trade receivables	*Note1*	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	339,943	1,580	374,522	1,620
Trade receivables	*Note1*	Anhui Zhenrui Construction Engineering Co., Ltd.	337,184	552	353,226	426
Trade receivables	*Note1*	CRCC Financial Leasing Co., Ltd.	328,974	1,310	331,013	1,328
Trade receivables	*Note1*	Zhaotong Dayong Expressway Investment and Development Co., Ltd.	239,337	2,361	–	–
Trade receivables	*Note1*	Sichuan Tianmeile Highway Co., Ltd.	234,171	557	471,800	417
Trade receivables	*Note1*	Yuxi China Railway Infrastructure Construction Co., Ltd.	232,708	3,527	234,708	3,527
Trade receivables	*Note1*	Cangzhou Tieshi Urban Development Co., Ltd.	230,774	223	316,448	139
Trade receivables	*Note1*	Shaanxi Huangpu Expressway Co., Ltd.	220,189	132	59,601	41
Trade receivables	*Note1*	Jinan Tieying Urban-Rural Construction Co., Ltd.	217,858	1,688	832	544
Trade receivables	*Note1*	Yangzhou Wantou Jade Feature Town Co., Ltd.	193,609	1,971	226,472	1,971
Trade receivables	*Note1*	Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	184,328	2,584	152,661	2,139
Trade receivables	*Note1*	Guigang Western Outer Ring Road Highway Co., Ltd.	173,685	253	14,184	135

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Huaibei Zhongsui Construction Development Co., Ltd.	169,538	170	165,338	165
Trade receivables	*Note1*	Jianghua Fengcheng Construction Investment Co., Ltd.	165,705	1,496	19,280	19
Trade receivables	*Note1*	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	164,464	–	8,179	–
Trade receivables	*Note1*	Guangxi Urban Rail Engineering Construction Co., Ltd.	159,115	770	85,694	337
Trade receivables	*Note1*	CRCC Kunlun Yunnan Real Estate Co., Ltd.	154,384	1,054	176,825	993
Trade receivables	*Note1*	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	154,374	1,018	241,493	238
Trade receivables	*Note1*	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	150,646	1,909	30,594	1,781
Trade receivables	*Note1*	Qingdao Metro Line 4 Co., Ltd.	149,334	2,061	82,649	2,741
Trade receivables	*Note1*	Chongqing Tiefa Jianxin Highway Co., Ltd.	135,443	721	126,416	403
Trade receivables	*Note1*	Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	133,763	668	136,638	819
Trade receivables	*Note1*	Guangxi Yujin Investment Development Co., Ltd.	132,978	705	39,006	276
Trade receivables	*Note1*	Shanghai Gangheng Real Estate Co., Ltd.	128,128	1,042	45,086	427
Trade receivables	*Note1*	Jiangxi Leshui Ecotourism Development Co., Ltd.	126,390	4,379	71,918	1,186
Trade receivables	*Note1*	Ningxia High-speed Rail Industry Development Co., Ltd.	120,817	1,517	57,895	576
Trade receivables	*Note1*	Sichuan Tiexin Zhiyuan Construction Co., Ltd.	120,301	602	132,177	661
Trade receivables	*Note1*	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	112,598	208	112,624	209
Trade receivables	*Note1*	Ma'anshan Zhengpugang Railway Co., Ltd.	112,418	252	109,026	252
Trade receivables	*Note1*	Chengdu Chuangcheng Real Estate Co., Ltd.	106,505	529	130,880	651
Trade receivables	*Note1*	Hainan Jinfa Railway Construction Port Construction Co., Ltd.	104,881	–	65,798	–
Trade receivables	*Note1*	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	103,519	1,036	77,318	906
Trade receivables	*Note1*	Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	102,356	1,583	327,654	1,638
Trade receivables	*Note1*	Guangzhou ShengDu Investment Development Co., Ltd.	98,963	529	94,011	470
Trade receivables	*Note1*	Zhaotong Mayi Expressway Investment and Development Co., Ltd.	98,189	793	236	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026		31 December 2025	
			Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Trade receivables	*Note1*	Suzhou Jingzhao Real Estate Development Co., Ltd.	97,489	200	109,285	248
Trade receivables	*Note1*	Shanxi Lihuo Expressway Co., Ltd.	94,178	–	49,661	–
Trade receivables	*Note1*	Guizhou Baoyuan Real Estate Co., Ltd.	92,744	93	77,256	77
Trade receivables	*Note1*	Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	91,552	458	75,735	379
Trade receivables	*Note1*	Sichuan Chengmian Cangba Expressway Co., Ltd.	90,789	452	101,035	504
Trade receivables	*Note1*	Jiangxi Wanshui Ecological Resources Development Co., Ltd.	88,217	441	38,206	191
Trade receivables	*Note1*	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	83,352	2,515	103,288	2,515
Trade receivables	*Note1*	Nanchang Xintiecheng Construction Co., Ltd.	83,209	4,160	76,662	3,833
Trade receivables	*Note1*	Changsha Zhicheng Real Estate Co., Ltd.	78,171	380	84,006	1,003
Trade receivables	*Note1*	CRCC East China (Cixi) Construction Co., Ltd.	76,193	398	1,089	143
Trade receivables	*Note1*	Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	74,774	13,759	142,215	13,759
Trade receivables	*Note1*	Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	73,976	9,850	38,588	9,647
Trade receivables	*Note1*	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	73,518	250	7,587	8
Trade receivables	*Note1*	Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	70,424	518	–	–
Trade receivables	*Note1*	Fuzhou Donglin Ring Expressway Co., Ltd.	69,524	2,498	–	–
Trade receivables	*Note1*	Guizhou Wengma Railway North South Extension Co., Ltd.	67,051	100	18,811	75
Trade receivables	*Note1*	Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	65,005	1,107	–	–
Trade receivables	*Note1*	Qingzhou Wenze Cultural Tourism Industry Investment Co., Ltd.	64,708	2,236	88,771	2,357
Trade receivables	*Note1*	Sichuan Suide Expressway Co., Ltd.	63,058	551	3	–
Trade receivables	*Note1*	Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	61,747	374	61,747	374
Trade receivables	*Note1*	Hubei Lvchuang Construction Co., Ltd.	59,733	2,879	45,880	2,278
Trade receivables	*Note1*	Foshan Road and Bridge Prefabricated Components Co., Ltd.	59,257	402	60,458	322

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Jiangxi Ganjishui Ecological Development Co., Ltd.	58,723	2,936	–	–
Trade receivables	*Note1*	Jiashan Chengfa Construction and Development Co., Ltd.	58,656	59	58,656	59
Trade receivables	*Note1*	Shiyan Luxiang Transportation Investment Co., Ltd.	57,289	1,569	68,089	2,294
Trade receivables	*Note1*	Jingnan (Gu'an) Urban Development and Construction Co., Ltd.	54,499	54	54,466	55
Trade receivables	*Note1*	Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	54,412	57	–	–
Trade receivables	*Note1*	Siping Comprehensive Pipe Gallery Construction and Operation Co., Ltd.	52,455	–	52,455	–
Trade receivables	*Note1*	Zhaotong Yibi Expressway Investment and Development Co., Ltd.	52,383	20	–	–
Trade receivables	*Note1*	Shanghai Wanjinglong Real Estate Co., Ltd.	51,485	515	69,119	673
Trade receivables	*Note1*	Wuhan Zhaorui Real Estate Co., Ltd.	51,241	273	102	–
Trade receivables	*Note1*	CRCC Shaanxi Highway Co., Ltd.	51,055	124	277,576	78
Trade receivables	*Note1*	Guizhou Gui'an Expressway Co., Ltd.	50,783	101	–	–
Trade receivables	*Note1*	Zaozhuang Jinjie Construction Investment Co., Ltd.	50,288	251	60,288	472
Trade receivables	*Note1*	Sanya Zhongcheng Real Estate Co., Ltd.	50,136	50	56,309	56
Trade receivables	*Note1*	Xixian New Area Century Pipe Gallery Construction Management Co., Ltd.	50,008	85	23,559	85
Trade receivables	*Note1*	Qingdao Urban Construction Investment Intelligent Construction Technology Co., Ltd.	49,452	56	32,959	28
Trade receivables	*Note1*	Nantong Yanglu Railway Development and Construction Co., Ltd.	49,120	582	4,502	181
Trade receivables	*Note1*	Xinjiang Water Development Heavy Industry Co., Ltd.	46,758	234	46,166	231
Trade receivables	*Note1*	Guangzhou Suiyun Real Estate Co., Ltd.	46,500	46	46,500	46
Trade receivables	*Note1*	Nanjing Jingyue Real Estate Development Co., Ltd.	46,045	229	64,372	318
Trade receivables	*Note1*	Chengdu Yuelin Real Estate Co., Ltd.	44,914	473	64,889	926
Trade receivables	*Note1*	Tongling Guanghe High-Tech Energy Technology Co., Ltd.	44,622	58	77,916	78
Trade receivables	*Note1*	Chongqing Monorail Transit Engineering Group Co., Ltd.	43,157	1,620	42,661	1,562

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Guangzhou Huangpu District Light Rail Line 1 Investment and Construction Co., Ltd.	43,040	78	77,342	78
Trade receivables	*Note1*	Suzhou Ruihua Real Estate Co., Ltd.	42,193	42	62,636	63
Trade receivables	*Note1*	Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	40,493	11,953	39,206	11,953
Trade receivables	*Note1*	Tianshui Tonghao Tram Co., Ltd.	40,327	412	8,982	256
Trade receivables	*Note1*	Hangzhou Qinwang Engineering Construction & Operation Co., Ltd.	40,170	402	40,170	402
Trade receivables	*Note1*	CRCC Development Group (Xishuangbanna) Ecological Development Co., Ltd.	39,654	40	39,749	40
Trade receivables	*Note1*	China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	39,085	236	8,041	127
Trade receivables	*Note1*	Shanghai Jingmao Yue Real Estate Co., Ltd.	39,072	195	45,232	577
Trade receivables	*Note1*	CRCC (Shandong) Gaodong Highway Co., Ltd.	38,533	1,643	38,895	437
Trade receivables	*Note1*	Luoyang Guozhan New Industry Development Co., Ltd.	37,387	49	10,143	27
Trade receivables	*Note1*	Beijing Ruida Real Estate Co., Ltd.	36,284	1,850	14,937	25
Trade receivables	*Note1*	Beijing Xinda Real Estate Co., Ltd.	35,396	76	34,473	76
Trade receivables	*Note1*	Nanchang Zhubang Construction Co., Ltd.	34,470	188	5,099	214
Trade receivables	*Note1*	Three Gorges Riqing Juzhang River Ecological Governance (Dangyang) Co., Ltd.	34,227	171	98,248	491
Trade receivables	*Note1*	CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	33,219	243	5,778	49
Trade receivables	*Note1*	Yunnan Kunchu Highway Investment & Development Co., Ltd.	33,123	17	28,608	6
Trade receivables	*Note1*	Kunming Qiping Real Estate Co., Ltd.	32,963	177	83,570	161
Trade receivables	*Note1*	Xinjiang Asia Europe China Railway International Logistics Group Co., Ltd.	31,195	172	235,782	273
Trade receivables	*Note1*	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	30,773	1,054	60,636	768
Trade receivables	*Note1*	Xuzhou Jiaokong Supply Chain Co., Ltd.	28,664	29	28,664	29
Trade receivables	*Note1*	Jianyang Railway Construction Hexing Highway Investment Co., Ltd.	28,346	1,017	34,554	343
Trade receivables	*Note1*	Changji Denggao Engineering Management Service Co., Ltd.	28,044	412	29,510	412

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	26,861	153	48,229	229
Trade receivables	*Note1*	Shaanxi Guanhuan Linfa Expressway Co., Ltd.	26,555	73	5,416	27
Trade receivables	*Note1*	Hunan Tongxi Real Estate Co., Ltd.	26,518	27	35,856	36
Trade receivables	*Note1*	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	25,005	199	30,050	201
Trade receivables	*Note1*	Tangshan Shengao Railway Development Co., Ltd.	24,939	49	740	24
Trade receivables	*Note1*	Lanzhou Zhengda Pipe Gallery Project Management Co., Ltd.	24,727	875	24,727	870
Trade receivables	*Note1*	China Railway Construction Ningxia Expressway Co., Ltd.	24,331	156	13,766	107
Trade receivables	*Note1*	Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	22,883	12	8,146	14
Trade receivables	*Note1*	CRCC Shaanxi Meitai Expressway Co., Ltd.	22,396	60	1,208	6
Trade receivables	*Note1*	China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	22,327	296	1,976	198
Trade receivables	*Note1*	Xuzhou Runjian Pipe Gallery Construction and Management Co., Ltd.	22,263	21	44,763	40
Trade receivables	*Note1*	Chongqing Liangkai Expressway Co., Ltd.	22,052	110	1,230	6
Trade receivables	*Note1*	Gansu Jingli Expressway Longnan Management Co., Ltd.	21,785	407	21,974	179
Trade receivables	*Note1*	Chongqing Yuxiang Fuxian Highway Co., Ltd.	21,611	116	60,656	282
Trade receivables	*Note1*	Chengdu China Railway Huafu Real Estate Co., Ltd.	21,405	103	38,729	241
Trade receivables	*Note1*	Ningbo Jinghai Investment Management Co., Ltd.	20,960	104	21,907	1
Trade receivables	*Note1*	Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	20,726	21	20,726	21
Trade receivables	*Note1*	Hebei China Railway Cangyan Construction Technology Co., Ltd.	20,446	26	20,546	21
Trade receivables	*Note1*	Beijing Jiehai Real Estate Co., Ltd.	19,000	19	19,000	19
Trade receivables	*Note1*	Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	18,294	126	62,693	314
Trade receivables	*Note1*	Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	18,145	169	12,501	63

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Chongqing Pinjinyue Real Estate Development Co., Ltd.	17,709	48	17,709	48
Trade receivables	*Note1*	Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	17,522	661	24,083	408
Trade receivables	*Note1*	Guiyang Changda Rail Transit Construction Co., Ltd.	17,474	40	95,396	56
Trade receivables	*Note1*	Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	17,436	78	17,436	78
Trade receivables	*Note1*	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	17,163	2,020	38,898	282
Trade receivables	*Note1*	Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	17,053	93	724	11
Trade receivables	*Note1*	CRCC Xinjiang Jingxin Expressway Co., Ltd.	16,898	223	6,113	155
Trade receivables	*Note1*	CRCC Hunan Expressway Co., Ltd.	16,833	164	40,397	177
Trade receivables	*Note1*	Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	16,743	191	704	2
Trade receivables	*Note1*	Nanning Zongheng Shilin Lijiayuan Engineering Management Co., Ltd.	16,469	156	31,237	156
Trade receivables	*Note1*	Kunming Fuyi Highway Co., Ltd.	15,962	30	6,388	–
Trade receivables	*Note1*	Lanzhou Matan Pipe Gallery Project Management Co., Ltd.	15,676	343	15,676	343
Trade receivables	*Note1*	Shijiazhuang Jiasheng Pipe Gallery Engineering Co., Ltd.	15,251	–	1,081	–
Trade receivables	*Note1*	Chongqing Daishan Construction and Development Co., Ltd.	14,905	63	12,121	61
Trade receivables	*Note1*	Nanjing Jingsheng Real Estate Development Co., Ltd.	14,659	88	17,626	88
Trade receivables	*Note1*	Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	14,498	72	14,598	72
Trade receivables	*Note1*	Gansu Public Aviation Travel Suwu Tonghang Industry Co., Ltd.	14,250	18	76,463	18
Trade receivables	*Note1*	China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	14,031	49	9,866	49
Trade receivables	*Note1*	Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	12,910	83	6,000	30

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Taiyuan Airport Hub Real Estate Co., Ltd.	12,864	193	19,217	118
Trade receivables	*Note1*	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	11,280	15	13,975	17
Trade receivables	*Note1*	Anhui Huiyu Construction Engineering Co., Ltd.	10,838	473	90,540	332
Trade receivables	*Note1*	China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	10,775	11	14,044	14
Trade receivables	*Note1*	Xixian New Area Xingchengrenju Real Estate Co., Ltd.	9,189	17	42,872	128
Trade receivables	*Note1*	Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	9,126	46	15,191	64
Trade receivables	*Note1*	Gansu Gonghang Travel Lan'a Highway Management Co., Ltd.	8,903	1,211	68,027	1,023
Trade receivables	*Note1*	Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	8,133	36	55,850	35
Trade receivables	*Note1*	China Railway Construction Investment Shandong Taidong Expressway Co., Ltd.	7,225	15	17,481	18
Trade receivables	*Note1*	Fujian Green Energy Construction Development Co., Ltd.	6,401	32	20,871	136
Trade receivables	*Note1*	CRCC (Wuxi) Engineering Technology Development Co., Ltd.	2,935	207	41,366	177
Trade receivables	*Note1*	Fujian Ronghui Construction Development Co., Ltd.	2,744	347	30,572	153
Trade receivables	*Note1*	China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	1,622	31	25,404	26
Trade receivables	*Note1*	Guigang Hesi Quanyu Tourism Development Co., Ltd.	810	59	53,223	59
Trade receivables	*Note1*	Ningxia Chengxin Railway Logistics Co., Ltd.	393	385	12,685	322
Trade receivables	*Note1*	Xilinhot China Railway Municipal Infrastructure Construction Co., Ltd.	370	–	13,212	–
Trade receivables	*Note1*	China Railway Construction Development Group (Longkou) Ecological Construction Co., Ltd.	353	–	63,338	63
Trade receivables	*Note1*	Tianshui Tram Co., Ltd.	235	1	223,121	1,116
Trade receivables	*Note1*	China Railway Construction Investment (Ganzhou) Urban Development Co., Ltd.	219	21	38,579	68
Trade receivables	*Note1*	China-Africa Lekkil Investment Co., Ltd.	–	–	102,676	117

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Trade receivables	*Note1*	Taiyuan Airport Hub Investment and Construction Co., Ltd.	–	–	30,755	29
Trade receivables	*Note1*	China Railway Construction & Investment Xi'an City Development Co., Ltd.	–	–	27,158	136
Trade receivables	*Note1*	Liaocheng Xurui Municipal Engineering Co., Ltd.	–	–	26,489	15
Trade receivables	*Note1*	Ningbo Jingsheng Real Estate Co., Ltd.	–	–	19,638	26
Trade receivables	*Note1*	Others	1,354,792	187,581	1,007,748	71,347
Total			13,045,528	409,057	12,260,671	266,333
Other receivables	*Note2*	BeiJing Xintiexinjian Investment Co., Ltd.	3,372,871	3,372	2,579,308	2,579
Other receivables	*Note2*	Beijing Xinda Real Estate Co., Ltd.	2,601,776	76,484	2,564,516	76,484
Other receivables	*Note2*	Tianjin Wanhe Real Estate Co., Ltd.	2,444,772	943,172	2,454,672	943,172
Other receivables	*Note2*	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	1,977,567	2,035	1,924,836	1,981
Other receivables	*Note2*	Wuhan Zhaorui Real Estate Co., Ltd.	1,326,280	294,138	1,308,418	281,849
Other receivables	*Note2*	Beijing Ruida Real Estate Co., Ltd.	1,316,988	71,514	1,316,765	71,514
Other receivables	*Note2*	Guangzhou ShengDu Investment Development Co., Ltd.	1,313,103	1,313	1,361,455	1,361
Other receivables	*Note2*	Chengdu Tiecheng Real Estate Co., Ltd.	992,294	992	969,857	970
Other receivables	*Note2*	Beijing Jiehai Real Estate Co., Ltd.	979,944	980	979,944	980
Other receivables	*Note2*	Guangzhou Suiyun Real Estate Co., Ltd.	935,809	366,820	935,809	366,820
Other receivables		CRCC Guizhou Engineering Investment Co., Ltd	917,157	170,775	917,157	170,775
Other receivables	*Note2*	Shunhao Real Estate Co., Ltd., Shunde District, Foshan City	900,357	238,404	678,135	227,956
Other receivables	*Note2*	Kunming Qiping Real Estate Co., Ltd.	826,380	227,619	804,301	227,619
Other receivables	*Note2*	Xi'an Kaishengda Real Estate Co., Ltd.	736,668	737	736,668	737
Other receivables	*Note2*	Guangzhou Nansha Kecheng Investment Development Co., Ltd.	682,739	683	666,608	667
Other receivables		China Railway Construction & Investment Xi'an City Development Co., Ltd.	625,594	182,807	617,283	100,800
Other receivables	*Note2*	Guangzhou Zengcheng District Shunxuan Real Estate Co., Ltd.	583,963	409,547	590,838	375,936
Other receivables	*Note2*	Nanjing Yuanchen Real Estate Co., Ltd.	559,760	56,298	563,760	24,090
Other receivables	*Note2*	Fuzhou Xinchen Real Estate Co., Ltd.	482,574	9,345	482,574	809

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Other receivables	*Note2*	Suzhou Jingzhao Real Estate Development Co., Ltd.	452,851	453	441,545	442
Other receivables	*Note2*	Changchun Jingde Real Estate Development Co., Ltd.	451,474	451	468,104	468
Other receivables	*Note2*	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	412,664	2,062	413,364	2,103
Other receivables	*Note2*	Yangzhou Jingteng Real Estate Co., Ltd.	406,320	406	394,844	395
Other receivables		CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	401,067	12,230	378,970	12,155
Other receivables	*Note2*	Xixian New Area Xingchengrenju Real Estate Co., Ltd.	394,212	394	345,241	344
Other receivables	*Note2*	Guangzhou Tieyue Real Estate Development Co., Ltd.	333,654	334	333,654	334
Other receivables	*Note2*	Ningbo Jingwan Investment Management Co., Ltd.	317,439	317	492,587	493
Other receivables		China Railway Construction Corporation	228,252	13	37,212	–
Other receivables	*Note2*	Beijing Liuzhuang Real Estate Co., Ltd.	209,663	210	209,663	210
Other receivables	*Note2*	Chongqing Tieyu Zhaohua Real Estate Development Co., Ltd.	208,507	209	208,507	209
Other receivables	*Note2*	Deqing Jingsheng Real Estate Development Co., Ltd.	188,845	188	188,264	188
Other receivables	*Note2*	Chongqing Mingbing Real Estate Development Co., Ltd.	184,599	185	–	–
Other receivables	*Note2*	Chengdu China Railway Huafu Real Estate Co., Ltd.	177,689	178	147,729	148
Other receivables		Hangzhou Fuyang Donghe Construction and Development Co., Ltd.	151,923	7,343	–	–
Other receivables	*Note2*	Sanya Zhongcheng Real Estate Co., Ltd.	143,790	41,866	143,655	30,765
Other receivables	*Note2*	Chongqing Mingqin Real Estate Development Co., Ltd.	134,039	134	–	–
Other receivables	*Note2*	Nanjing Jingsheng Real Estate Development Co., Ltd.	130,789	131	130,789	131
Other receivables	*Note2*	Suzhou Ruihua Real Estate Co., Ltd.	130,213	11,165	128,331	11,163
Other receivables		Changsha Yuchi River Basin Development and Investment Co., Ltd.	126,580	–	–	–
Other receivables		Guangxi Yujin Investment Development Co., Ltd.	114,994	122	113,235	125
Other receivables	*Note2*	Chongqing Jianlian New Real Estate Development Co., Ltd.	112,000	112	112,000	112

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Other receivables		Liaocheng Xurui Municipal Engineering Co., Ltd.	109,209	–	1,814	–
Other receivables		Gansu Zhuzhong Railway Co., Ltd.	98,700	99	98,601	99
Other receivables		CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	81,735	990	131,835	990
Other receivables	*Note2*	Chongqing Pinjinyue Real Estate Development Co., Ltd.	74,088	74	74,088	74
Other receivables	*Note2*	Others	1,552,557	144,465	1,139,755	76,356
Total			30,904,449	3,281,166	28,586,691	3,014,403
Long-term receivables (including current portion)		Zhaotong Mayi Expressway Investment and Development Co., Ltd.	1,215,000	5,486	1,220,823	5,497
Long-term receivables (including current portion)		CRCC Investment Jizhong Development and Construction Co., Ltd.	880,121	4,401	972,241	4,861
Long-term receivables (including current portion)		Zhaotong Yibi Expressway Investment and Development Co., Ltd.	835,010	55,451	–	–
Long-term receivables (including current portion)		Guangxi Liubin Expressway Construction and Development Co., Ltd.	717,263	4,833	1,402	7
Long-term receivables (including current portion)	*Note2*	Chengdu Tiecheng Real Estate Co., Ltd.	689,065	689	689,065	689

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)		Shandong Zhicheng Industrial Development Co., Ltd.	669,977	3,350	–	–
Long-term receivables (including current portion)		Henan Xuwei Ring Expressway Co., Ltd.	612,150	1,999	–	–
Long-term receivables (including current portion)	*Note2*	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	609,879	418,274	623,171	418,279
Long-term receivables (including current portion)		Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	567,945	3,005	600,929	3,005
Long-term receivables (including current portion)		Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	503,376	2,517	554,798	2,550
Long-term receivables (including current portion)		Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	477,956	3,146	428,999	3,413
Long-term receivables (including current portion)		Guizhou Tongren Yongfa Road Engineering Investment Co., Ltd.	460,200	2,294	460,200	2,294
Long-term receivables (including current portion)		CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	426,758	2,153	496,017	2,480
Long-term receivables (including current portion)		Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	419,509	2,098	520,626	2,603
Long-term receivables (including current portion)		Yuxi China Railway Infrastructure Construction Co., Ltd.	402,150	397	471,962	899

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)	Zhaotong Weiyi Expressway Investment and Development Co., Ltd.	400,000	41	–	–
Long-term receivables (including current portion)	Dong'e Huicheng Investment Development and Construction Co., Ltd.	399,184	1,996	384,362	1,922
Long-term receivables (including current portion)	Jinan Tieying Urban-Rural Construction Co., Ltd.	373,128	1,970	453,086	2,665
Long-term receivables (including current portion)	Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	326,237	326	282,602	283
Long-term receivables (including current portion)	Xinxiang Xinchuang Technology Investment and Development Co., Ltd.	324,614	1	273	1
Long-term receivables (including current portion)	Hohhot Metro line 2 Construction & Management Co., Ltd.	294,867	18,652	–	–
Long-term receivables (including current portion)	CRCC Investment Baoding Urban Development and Construction Co., Ltd.	285,464	1,427	299,766	1,499
Long-term receivables (including current portion)	CRCC East China (Cixi) Construction Co., Ltd.	276,748	677	238,489	438
Long-term receivables (including current portion)	Chongqing Yuxiang Fuxian Highway Co., Ltd.	276,213	1,381	312,516	1,563

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)		China Railway Construction Investment (Xiangtan) New Energy Industrial Park Development Co., Ltd.	275,028	198	33,025	64
Long-term receivables (including current portion)		Sichuan Chengmian Cangba Expressway Co., Ltd.	274,067	287	274,067	275
Long-term receivables (including current portion)		Linqing Anrun Investment Development and Construction Co., Ltd.	266,874	754	176,508	719
Long-term receivables (including current portion)	*Note2*	Changsha Zhicheng Real Estate Co., Ltd.	261,232	257	285,875	377
Long-term receivables (including current portion)		Tianjin Urban Construction Jinyu Real Estate Co., Ltd.	247,472	1,630	49,000	49
Long-term receivables (including current portion)		China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	245,061	1,225	251,139	1,306
Long-term receivables (including current portion)		Anqing High speed Railway New Area Construction Investment Co., Ltd.	244,578	1,223	299,885	1,499
Long-term receivables (including current portion)		Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	235,496	1,009	201,760	1,009
Long-term receivables (including current portion)		China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	225,512	1,128	236,407	1,168

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)		China Railway Construction & Investment Xi'an City Development Co., Ltd.	219,807	10,990	219,807	10,990
Long-term receivables (including current portion)		Changji Denggao Engineering Management Service Co., Ltd.	211,338	1,057	–	–
Long-term receivables (including current portion)		Zhaotong Kunqiao Expressway Investment and Development Co., Ltd.	173,812	934	–	–
Long-term receivables (including current portion)	*Note2*	Shanghai Gangheng Real Estate Co., Ltd.	168,484	842	168,484	842
Long-term receivables (including current portion)		Hubei Jiaotou Jiangling Yangtze River Bridge Co., Ltd.	150,000	750	–	–
Long-term receivables (including current portion)		Liaocheng Xurui Municipal Engineering Co., Ltd.	143,793	7,667	–	–
Long-term receivables (including current portion)		Zhuhai High tech Smart Port Industrial Park Construction Co., Ltd.	141,583	708	106,984	535
Long-term receivables (including current portion)		Taiyuan Existing Residential Energy Conservation Renovation Project Management Co., Ltd.	140,090	700	–	–
Long-term receivables (including current portion)		Shaanxi Huangpu Expressway Co., Ltd.	132,776	133	132,617	133
Long-term receivables (including current portion)		Yangzhou Wantou Jade Feature Town Co., Ltd.	120,130	601	120,130	601

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)		Ningxia Yinxing Tiefa Engineering Management Co., Ltd.	117,600	588	–	–
Long-term receivables (including current portion)		China Railway Construction Beishui (Putian) Water Co., Ltd.	114,013	570	67,557	338
Long-term receivables (including current portion)		Qingdao Metro Line 4 Co., Ltd.	113,208	2,003	302,250	3,559
Long-term receivables (including current portion)		Guangzhou Nansha Kecheng Investment Development Co., Ltd.	112,010	560	–	–
Long-term receivables (including current portion)		Chongqing Nanchuan Changyun Construction and Development Co., Ltd.	111,625	558	–	–
Long-term receivables (including current portion)		CRCC Sichuan Dedu Highway Co., Ltd.	107,012	669	510	1,471
Long-term receivables (including current portion)	*Note2*	China Railway Construction Investment (Lianjiang) Development and Construction Co., Ltd.	97,169	486	97,169	486
Long-term receivables (including current portion)		Zaozhuang Jinjie Construction Investment Co., Ltd.	94,385	478	82,663	511
Long-term receivables (including current portion)		Luoyang Guozhan New Industry Development Co., Ltd.	90,815	98	90,815	98

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Long-term receivables (including current portion)	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	84,866	424	75,569	516
Long-term receivables (including current portion)	China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	80,274	401	87,034	435
Long-term receivables (including current portion)	Tianjin China Railway Huituo Real Estate Co., Ltd.	76,261	215	104,445	345
Long-term receivables (including current portion)	Anhui Huiyu Construction Engineering Co., Ltd.	76,128	517	66,317	691
Long-term receivables (including current portion)	Guangzhou ShengDu Investment Development Co., Ltd.	75,846	379	–	–
Long-term receivables (including current portion)	Ningxia Chengxin Railway Logistics Co., Ltd.	75,805	159	107,843	143
Long-term receivables (including current portion)	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	74,291	6	105,967	144
Long-term receivables (including current portion)	Hunan Tongxi Real Estate Co., Ltd.	69,360	69	75,276	75
Long-term receivables (including current portion)	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	69,353	69	138,705	139
Long-term receivables (including current portion)	Hebei Canggang Railway Construction and Transportation Co., Ltd.	63,639	64	7,493	137

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)	Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	61,854	319	76,437	334
Long-term receivables (including current portion)	Zhengzhou Jiaotou East Fourth Ring Project Management Co., Ltd.	57,130	–	–	–
Long-term receivables (including current portion)	Jiangsu Yinbao Gangkai Construction Co., Ltd.	55,704	279	240,198	529
Long-term receivables (including current portion)	China Railway Construction Port and Shipping Bureau Group Ecological Environment Construction (Hubei) Co., Ltd.	55,286	55	53,794	54
Long-term receivables (including current portion)	Liaocheng Rongxing Construction Investment Co., Ltd.	55,013	275	71,042	355
Long-term receivables (including current portion)	Three Gorges Qingqing Maoping River Ecological Treatment (Zigui) Co., Ltd.	53,241	266	59,676	298
Long-term receivables (including current portion)	Lanzhou Matan Pipe Gallery Project Management Co., Ltd.	52,987	–	–	–
Long-term receivables (including current portion)	Suzhou High tech Zone Guoyi Intelligent Technology Co., Ltd.	49,786	304	35,422	321
Long-term receivables (including current portion)	Gansu Public Aviation Travel Suwu Tonghang Industry Co., Ltd.	48,066	290	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

	Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)	Suzhou Ruihua Real Estate Co., Ltd.	43,161	43	55,889	56
Long-term receivables (including current portion)	Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	42,909	215	42,909	215
Long-term receivables (including current portion)	Taiyuan Airport Hub Real Estate Co., Ltd.	40,665	143	141,739	353
Long-term receivables (including current portion)	Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	37,711	189	37,711	189
Long-term receivables (including current portion)	Wantong Intercity Railway Co., Ltd.	37,355	302	61,735	309
Long-term receivables (including current portion)	Sichuan Jinsuiyuan Construction Development Co., Ltd.	34,461	181	38,384	192
Long-term receivables (including current portion)	China Railway Construction Port and Navigation Bureau Group Qingyuan Port Feilaixia Port Co., Ltd.	33,057	299	44,466	299
Long-term receivables (including current portion)	Jianghua Fengcheng Construction Investment Co., Ltd.	32,375	32	39,684	40
Long-term receivables (including current portion)	Ningbo Jingwan Investment Management Co., Ltd.	26,780	134	39,910	200

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(1) Accounts receivable (Continued)

	Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	25,066	2,293	48,786	2,407
Long-term receivables (including current portion)	Tianjin Bincheng Meihaoshenghuo Co., Ltd.	7,809	36	60,036	326
Long-term receivables (including current portion)	Chongqing Tiefa Jianxin Highway Co., Ltd.	539	235	359,364	676
Long-term receivables (including current portion)	Guizhou Wengma Railway Co., Ltd.	395	38	140,468	147
Long-term receivables (including current portion)	Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	-	-	119,996	240
Long-term receivables (including current portion)	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	-	-	81,989	7,927

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Long-term receivables (including current portion)	*Note2*	Fujian Ronghui Construction Development Co., Ltd.	–	–	67,579	338
Long-term receivables (including current portion)		Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	–	–	45,416	227
Long-term receivables (including current portion)		Jiashan Chengfa Construction and Development Co., Ltd.	–	–	38,951	39
Long-term receivables (including current portion)		Kunming Qiping Real Estate Co., Ltd.	–	–	38,445	121
Long-term receivables (including current portion)	*Note2*	Others	1,415,978	7,383	1,550,631	8,554
Total			20,290,935	590,281	16,567,285	508,349
Interest receivable		Sanya Zhongcheng Real Estate Co., Ltd.	14,335	3,193	14,335	3,193
Interest receivable		Taiyuan Airport Hub Real Estate Co., Ltd.	8,037	1,931	7,871	1,224
Interest receivable		CRCC Chengfa Kaitou (Taizhou) Urban Development Co., Ltd.	1,132	–	1,132	–
Total			23,504	5,124	23,338	4,417
Dividends receivable		Jinan Rail China Railway Segment Manufacturing Co., Ltd.	77,100	9,355	77,100	2,861
Dividends receivable		Shandong High-speed Railway Construction Equipment Co., Ltd.	35,449	8,610	–	–
Dividends receivable		Shenyang Jiabai Real Estate Co., Ltd.	33,000	–	–	–
Dividends receivable		Cangzhou Tieshi Urban Development Co., Ltd.	15,147	–	5,044	252

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Dividends receivable	Chongqing Monorail Transit Engineering Group Co., Ltd.	15,905	339	–	–
Dividends receivable	Chongqing China Railway Construction Industrial Co., Ltd.	10,410	52	7,779	–
Dividends receivable	Changde Yuanjiang Tunnel Co., Ltd.	9,717	–	9,717	49
Dividends receivable	CRCC Financial Leasing Co., Ltd.	–	–	51,643	145
Dividends receivable	Others	12,656	306	67,516	8,756
Total		209,384	18,662	218,799	12,063
Debt investments	Hengda Real Estate (Shenzhen) Co., Ltd.	2,927,340	2,927,340	2,927,340	2,927,340
Debt investments	Jinan Tieying Urban-Rural Construction Co., Ltd.	965,189	156,799	960,429	130,789
Debt investments	Yunnan Gangcheng Infrastructure Construction Co., Ltd.	523,058	523	523,058	523
Debt investments	Linqing Anrun Investment Development and Construction Co., Ltd.	336,367	1,682	337,677	1,688
Debt investments	Henan Xuwei Ring Expressway Co., Ltd.	314,781	–	–	–
Debt investments	Liaocheng Xurui Municipal Engineering Co., Ltd.	270,878	1,354	268,928	1,345
Debt investments	Xiangyin Yangshahu Yongyuan Construction Investment Development Co., Ltd.	137,138	686	137,138	686
Debt investments	Bengbu Hengjian Construction Co., Ltd.	119,491	597	116,831	584
Debt investments	Changchun Nonggaoling Development Park Management Service Co., Ltd.	97,852	489	95,400	477
Debt investments	Others	208,305	2,351	173,060	631
Total		5,900,399	3,091,821	5,539,861	3,064,063

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Other non-current assets	China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	61,925	310	60,525	303
Contract assets	Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	499,930	2,625	513,878	1,704
Contract assets	Guizhou Wengma Railway North South Extension Co., Ltd.	496,220	494	297,718	319
Contract assets	Gansu Jingli Expressway Longnan Management Co., Ltd.	373,099	1,441	328,569	202
Contract assets	Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	352,803	1,629	151,369	2,978
Contract assets	Hubei Jiaotou Jiangling Yangtze River Bridge Co., Ltd.	329,592	2,465	–	–
Contract assets	Zhaotong Dayong Expressway Investment and Development Co., Ltd.	297,580	383	–	–
Contract assets	Qingdao Metro Line 4 Co., Ltd.	234,456	1,577	8,080	40
Contract assets	Hubei Jiaotou Shuangliu Yangtze River Bridge Co., Ltd.	232,781	2,164	–	–
Contract assets	Guizhou Gui'an Expressway Co., Ltd.	203,634	2,199	–	–
Contract assets	Jishou Jiyun Construction Project Management Co., Ltd.	199,195	1,240	–	–
Contract assets	Kunming Sanqing Highway Co., Ltd.	184,800	337	–	–
Contract assets	Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	165,252	3,485	149,371	3,485
Contract assets	Guizhou Wengma Railway Co., Ltd.	151,808	157	136,508	147
Contract assets	Chongqing Liangping Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	132,557	663	–	–
Contract assets	Shaanxi Luolu Expressway Co., Ltd.	113,288	113	106,431	75
Contract assets	Nanchang Zhubang Construction Co., Ltd.	111,770	638	127,775	345
Contract assets	Guangxi Urban Rail Engineering Construction Co., Ltd.	98,542	497	147,617	712

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Contract assets	Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	93,455	7,873	–	–
Contract assets	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	90,386	458	89,819	453
Contract assets	Guangzhou Nansha Kecheng Investment Development Co., Ltd.	86,942	435	11,108	56
Contract assets	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	86,248	431	83,605	418
Contract assets	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	83,763	419	50,685	418
Contract assets	Henan Xuwei Ring Expressway Co., Ltd.	81,266	34	–	–
Contract assets	Zhaotong Kunqiao Expressway Investment and Development Co., Ltd.	79,851	307	–	–
Contract assets	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	77,431	386	67,375	336
Contract assets	Pengruili Yunmen (Hangzhou) Real Estate Co., Ltd.	75,413	377	–	–
Contract assets	Guangzhou Guanghua Intercity Rail Transit Co., Ltd.	73,622	368	–	–
Contract assets	Ningxia High-speed Rail Industry Development Co., Ltd.	73,622	280	17,320	249
Contract assets	Chongqing Tiefa Jianxin Highway Co., Ltd.	71,261	75	92,823	181
Contract assets	Chongqing Jiangjin Three Gorges Water Environment Comprehensive Treatment Co., Ltd.	71,162	356	–	–
Contract assets	Ningbo Jingwan Investment Management Co., Ltd.	69,659	70	69,659	70
Contract assets	Nanjing Jingrui Real Estate Investment Co., Ltd.	65,492	65	–	–
Contract assets	Beijing Ruida Real Estate Co., Ltd.	65,301	332	2,755	–
Contract assets	Huaibei Zhongsui Construction Development Co., Ltd.	64,237	64	63,732	64
Contract assets	Liaocheng Rongxing Construction Investment Co., Ltd.	63,410	317	61,655	308
Contract assets	Jiashan Chengfa Construction and Development Co., Ltd.	63,027	63	62,947	63
Contract assets	Guizhou Zhongguang Wenchuang City Real Estate Co., Ltd.	62,527	489	70,759	489

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Hubei Railway Group Dangyuan Co., Ltd.	61,534	182	62,370	210
Contract assets	Quanzhou Futie Construction Investment Co., Ltd.	61,036	305	63,414	317
Contract assets	Hunan Mengcheng Investment and Development Co., Ltd.	60,000	–	752	–
Contract assets	Suzhou Ruihua Real Estate Co., Ltd.	59,211	59	35,763	36
Contract assets	Kunming Qiping Real Estate Co., Ltd.	55,587	196	39,453	173
Contract assets	Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	55,331	–	–	–
Contract assets	Yangzhou Hangji Nanyuan Development Co., Ltd.	54,450	–	–	–
Contract assets	Gansu Dundang Expressway Project Management Co., Ltd.	54,357	72	10,101	51
Contract assets	Ningbo Jinghai Investment Management Co., Ltd.	52,616	263	52,616	263
Contract assets	Jiangxi Wanshui Ecological Resources Development Co., Ltd.	52,456	52	–	–
Contract assets	Chongqing Wankaida Expressway Co., Ltd.	52,051	260	–	–
Contract assets	Shanghai Wanjinglong Real Estate Co., Ltd.	50,044	500	62,554	626
Contract assets	Zhaotong Mayi Expressway Investment and Development Co., Ltd.	49,178	190	–	–
Contract assets	Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	48,048	200	39,868	399
Contract assets	Guangxi Yujin Investment Development Co., Ltd.	47,990	–	–	–
Contract assets	Yantai Tongyuan Fushan Investment and Development Construction Co., Ltd.	47,685	238	11,052	56
Contract assets	Xiangyang Ring Road Speed Up Transformation Construction and Operation Co., Ltd.	47,667	477	47,667	404
Contract assets	CRCC Real Estate Co., Ltd.	47,546	108	32,680	35
Contract assets	Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	45,662	456	–	–
Contract assets	Shandong Expressway Jinghu Expressway Co., Ltd.	44,074	220	42,984	215
Contract assets	Foshan Road and Bridge Prefabricated Components Co., Ltd.	44,055	184	–	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Jianghua Fengcheng Construction Investment Co., Ltd.	43,631	327	12,455	12
Contract assets	Heshan No.18 Engineering Construction Co., Ltd.	42,161	209	32,489	–
Contract assets	Guangxi Shatie Railway Co., Ltd.	40,125	85	29,658	85
Contract assets	China Railway Construction Beishui (Putian) Water Co., Ltd.	38,568	193	9,510	48
Contract assets	Changsha Zhicheng Real Estate Co., Ltd.	38,382	256	36,273	256
Contract assets	Shaanxi Huangpu Expressway Co., Ltd.	37,123	34	38,576	77
Contract assets	Jishou Donghe Shed Renovation Project Management Co., Ltd.	36,235	181	–	–
Contract assets	Shanghai Jingmao Yue Real Estate Co., Ltd.	34,906	175	30,887	154
Contract assets	Shiyan Luxiang Transportation Investment Co., Ltd.	34,879	174	45,780	458
Contract assets	Nanjing Daqiao North Environmental Comprehensive Management Co., Ltd.	34,573	–	–	–
Contract assets	Zhaotong Yibi Expressway Investment and Development Co., Ltd.	34,350	–	–	–
Contract assets	Chongqing Yuxiang Fuxian Highway Co., Ltd.	34,227	70	31,824	159
Contract assets	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	34,194	171	–	–
Contract assets	Beijing Xinda Real Estate Co., Ltd.	34,083	34	33,923	34
Contract assets	Linqing Anrun Investment Development and Construction Co., Ltd.	32,681	4	542	3
Contract assets	Chengdu Yueran Real Estate Co., Ltd.	31,783	181	36,170	181
Contract assets	Yunnan Kunchu Highway Investment & Development Co., Ltd.	31,644	2	80,497	251
Contract assets	Yangzhou Jingteng Real Estate Co., Ltd.	28,742	144	175	1
Contract assets	Anhui Huiyu Construction Engineering Co., Ltd.	26,980	288	51,727	260
Contract assets	Shaanxi Guanhuan Linfa Expressway Co., Ltd.	26,681	133	4,646	23
Contract assets	Hubei Railway Group Ziyun Co., Ltd.	31,553	397	26,561	133
Contract assets	Guangzhou Tieyue Real Estate Development Co., Ltd.	26,280	3	227	1
Contract assets	Hunan Tongxi Real Estate Co., Ltd.	25,921	26	21,722	142
Contract assets	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	25,712	200	20,179	107

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

	Related party	30 June 2026		31 December 2025	
		Gross carrying amount	Credit loss allowance	Gross carrying amount	Credit loss allowance
Contract assets	Gansu Gonghanglv Longzhang Expressway Management Co., Ltd.	25,668	128	24,906	124
Contract assets	Nanping New City Port Development Co., Ltd.	24,472	122	28,527	143
Contract assets	Hangqu Railway Co., Ltd.	23,397	55	8,042	40
Contract assets	CRCC Shaanxi Meitai Expressway Co., Ltd.	23,096	342	23,246	324
Contract assets	Yangjiang Zhongcai Railway Construction Project Management Co., Ltd.	22,860	120	21,727	120
Contract assets	Chengdu Yuelin Real Estate Co., Ltd.	21,896	109	24,229	121
Contract assets	Zhengzhou Communications Investment Lvbo Project Management Co., Ltd.	21,888	–	9,233	–
Contract assets	Chongqing Tongsheng Infrastructure Construction Co., Ltd.	20,451	91	89,222	89
Contract assets	Taiyuan Airport Hub Real Estate Co., Ltd.	20,210	141	4,001	121
Contract assets	Huizhou China Railway Construction Port and Shipping Bureau Infrastructure Investment Co., Ltd.	19,839	26	19,839	26
Contract assets	Hangzhou Jiandejiang Investment Co., Ltd.	18,623	123	18,675	123
Contract assets	Sichuan Tiexin Zhiyuan Construction Co., Ltd.	18,094	271	53,958	270
Contract assets	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	18,082	90	20,125	101
Contract assets	Nanjing Jingyue Real Estate Development Co., Ltd.	17,964	90	16,494	82
Contract assets	Xuzhou Metro Line 2 Rail Transit Investment & Development Co., Ltd.	17,895	89	14,204	71
Contract assets	Jiangxi Leshui Ecotourism Development Co., Ltd.	17,683	88	17,683	88
Contract assets	CRCC Development (Rizhao) Environmental Protection Co., Ltd.	17,534	18	13,495	13
Contract assets	CRCC East China (Cixi) Construction Co., Ltd.	16,905	85	14,661	15
Contract assets	Suzhou Jingzhao Real Estate Development Co., Ltd.	16,733	38	13,395	12
Contract assets	Guizhou Baoyuan Real Estate Co., Ltd.	16,256	81	16,256	81
Contract assets	Chongqing Jianlian New Real Estate Development Co., Ltd.	16,128	81	16,042	80
Contract assets	CRCC Investment Jizhong Development and Construction Co., Ltd.	15,732	79	15,562	78

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(1) Accounts receivable (Continued)

		Related party	30 June 2026 Gross carrying amount	30 June 2026 Credit loss allowance	31 December 2025 Gross carrying amount	31 December 2025 Credit loss allowance
Contract assets		Suzhou Jinghong Real Estate Development Co., Ltd.	15,289	15	7,211	7
Contract assets		Zaozhuang Jinjie Construction Investment Co., Ltd.	14,629	73	12,077	60
Contract assets		Liuzhou North City China Railway Beijin Project Management Co., Ltd.	14,499	72	14,499	–
Contract assets		Fuzhou Donglin Ring Expressway Co., Ltd.	13,427	67	1,311	7
Contract assets		Others	794,607	7,541	681,996	4,650
Total			8,855,231	52,590	4,957,269	25,128
Loans and advances	*Note3*	China Railway Construction Corporation	1,262,920	40,094	1,448,700	43,989
Prepayments		CRCC Financial Leasing Co., Ltd.	174,067	–	170,869	–
Prepayments		Hebei China Railway Cangyan Construction Technology Co., Ltd.	29,945	–	29,945	–
Prepayments		Tiexin Tongda (Shenzhen) Infrastructure Investment Partnership Enterprise (Limited Partnership)	23,973	–	–	–
Prepayments		Tiexin Changda (Shenzhen) Infrastructure Private Equity Investment Fund Partnership Enterprise (Limited Partnership)	16,384	–	–	–
Prepayments		Shihezi Zhucheng Mineral Development Co., Ltd.	7,550	–	–	–
Prepayments		Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	7,278	–	7,278	–
Prepayments		Others	24,367	–	8,249	–
Total			283,564	–	216,341	–

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable

		Related party	30 June 2026	31 December 2025
Bills payable	*Note1*	Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	14,167	3,000
Bills payable	*Note1*	Others	3,338	–
Total			17,505	3,000
Accounts payable	*Note1*	CRCC Financial Leasing Co., Ltd.	1,201,049	339,964
Accounts payable	*Note1*	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	267,376	229,879
Accounts payable	*Note1*	Shandong Chengtai Fangqiao Intelligent Manufacturing Co., Ltd.	262,993	–
Accounts payable	*Note1*	Xuzhou Jiaokong Supply Chain Co., Ltd.	169,217	200,787
Accounts payable	*Note1*	Guangxi Urban Rail Engineering Construction Co., Ltd.	155,215	108,158
Accounts payable	*Note1*	Foshan Road and Bridge Prefabricated Components Co., Ltd.	112,088	72,743
Accounts payable	*Note1*	CRCC (Wuxi) Engineering Technology Development Co., Ltd.	109,175	109,946
Accounts payable	*Note1*	Hubei Lvchuang Construction Co., Ltd.	107,865	82,074
Accounts payable	*Note1*	Kunming Tiexin Construction Engineering Management Co., Ltd.	95,646	90,724
Accounts payable	*Note1*	Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	89,770	56,473
Accounts payable	*Note1*	Shandong High Speed Transportation Equipment Co., Ltd.	79,004	–
Accounts payable	*Note1*	Xuzhou Xintong Prefabricated Component Manufacturing Co., Ltd.	78,225	73,363
Accounts payable	*Note1*	Shandong High-speed Railway Construction Equipment Co., Ltd.	68,824	–
Accounts payable	*Note1*	Gansu Tietou Materials Co., Ltd.	64,540	69,024
Accounts payable	*Note1*	Jinan Rail China Railway Segment Manufacturing Co., Ltd.	55,240	56,105
Accounts payable	*Note1*	Shenzhen Building Materials Trading Group Construction Technology Co., Ltd.	47,213	20,633
Accounts payable	*Note1*	Chongqing Monorail Construction Technology Co., Ltd.	43,756	–
Accounts payable	*Note1*	Guangzhou Huadu Chengrui Construction Co., Ltd.	42,297	–
Accounts payable	*Note1*	Shandong Expressway New Material Technology Co., Ltd.	39,923	18,607
Accounts payable	*Note1*	Chongqing Jiangtiao Line Rail Transit Operation and Management Co., Ltd.	39,115	19,985
Accounts payable	*Note1*	Nanchang Railway Building Materials Co., Ltd.	37,999	39,085
Accounts payable	*Note1*	Nantong Tiejian Construction Components Co., Ltd.	29,784	10,623
Accounts payable	*Note1*	Xiamen Road and Bridge Construction Group Engineering Co., Ltd.	28,781	–
Accounts payable	*Note1*	Chongqing Monorail Transit Engineering Group Co., Ltd.	26,553	30,530
Accounts payable	*Note1*	Chengdu Chengtou Urban Construction Technology Co., Ltd.	26,310	28,742
Accounts payable	*Note1*	Shaanxi Railway Engineering Survey Co., Ltd.	24,292	24,540
Accounts payable	*Note1*	Shaanxi Gerui Environmental Governance Co., Ltd.	20,811	13,589

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Accounts payable	*Note1*	Hebei China Railway Cangyan Construction Technology Co., Ltd.	18,924	22,402
Accounts payable	*Note1*	Anhui Comprehensive Transportation Research Institute Co., Ltd.	17,270	–
Accounts payable	*Note1*	Zhuhai Jiaojian Engineering Co., Ltd.	16,940	347
Accounts payable	*Note1*	Dongying Jiaofa Smart Logistics Information Service Co., Ltd.	16,178	121
Accounts payable	*Note1*	Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	15,333	13,682
Accounts payable	*Note1*	Changji Denggao Engineering Management Service Co., Ltd.	15,297	–
Accounts payable	*Note1*	Chongqing China Railway Construction Industrial Co., Ltd.	13,994	–
Accounts payable	*Note1*	Wuhan Green Shade Ecological Environment Technology Co., Ltd.	13,215	3,184
Accounts payable	*Note1*	Hubei Railway Green Building Materials Co., Ltd.	12,980	10,738
Accounts payable	*Note1*	Shandong Industry Research Institute of Ecological Environment Co., Ltd.	12,454	–
Accounts payable	*Note1*	Kunshan Transportation Construction Environmental Protection Prefabricated Components Co., Ltd.	12,412	21,939
Accounts payable	*Note1*	Gansu Tietou Fangqiao Railway Equipment Manufacturing Co., Ltd.	10,817	7,195
Accounts payable	*Note1*	Bay Area (Guangdong) Construction Assembly Technology Co., Ltd.	10,764	4,320
Accounts payable	*Note1*	Lipu Putie Building Materials Co., Ltd.	10,474	5,135
Accounts payable	*Note1*	CRCC JinLi Asset Management Co., Ltd.	10,161	328
Accounts payable	*Note1*	Others	364,949	331,430
Total			3,895,223	2,116,395
Contract liabilities	*Note4*	Yunnan Luqiu Guangfu Expressway Investment and Development Co., Ltd.	679,100	679,100
Contract liabilities	*Note4*	Kunming Rail Transit Line 5 Construction & Operation Co., Ltd.	430,293	500,819
Contract liabilities	*Note4*	Guizhou Jinrentong Expressway Development Co., Ltd.	361,880	501,187
Contract liabilities	*Note4*	Wuhu Yangtze River Tunnel Co., Ltd.	340,889	–
Contract liabilities	*Note4*	Wuxue Port Multimodal Transport Investment Development Co., Ltd.	303,756	538,787
Contract liabilities	*Note4*	Guiyang Changda Rail Transit Construction Co., Ltd.	283,226	424,565
Contract liabilities	*Note4*	Sichuan Chengmian Cangba Expressway Co., Ltd.	241,142	197,105
Contract liabilities	*Note4*	Sichuan Tianmeile Highway Co., Ltd.	234,969	301,035
Contract liabilities	*Note4*	Chongqing Tiefa Jianxin Highway Co., Ltd.	230,413	231,757
Contract liabilities	*Note4*	China Railway Construction Ningxia Expressway Co., Ltd.	208,519	193,428

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Contract liabilities	*Note4*	Hebei Canggang Railway Construction and Transportation Co., Ltd.	184,144	252,232
Contract liabilities	*Note4*	Haikou Jiangdong Xinju Second Real Estate Co., Ltd.	182,528	–
Contract liabilities	*Note4*	Gansu Jinhe Expressway Project Management Co., Ltd.	162,297	–
Contract liabilities	*Note4*	Guigang Hesi Quanyu Tourism Development Co., Ltd.	154,440	159,133
Contract liabilities	*Note4*	Nantong Yanglu Railway Development and Construction Co., Ltd.	150,898	122,319
Contract liabilities	*Note4*	Nanjing Jiangbei New Area Guanglian Pipeline Corridor Construction Co., Ltd.	143,083	143,089
Contract liabilities	*Note4*	China Railway Dongjin Lijin Bridge Management Co., Ltd.	117,282	–
Contract liabilities	*Note4*	Zhaotong Weiyi Expressway Investment and Development Co., Ltd.	113,326	–
Contract liabilities	*Note4*	Liuzhou Beicheng China Railway Project Management Co., Ltd.	87,374	–
Contract liabilities	*Note4*	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	87,281	87,289
Contract liabilities	*Note4*	Changchun Urban Construction Investment Ecological Governance Construction Investment Co., Ltd.	86,802	–
Contract liabilities	*Note4*	Yunnan Binnan Expressway Co., Ltd.	86,511	–
Contract liabilities	*Note4*	Tianjin Ninghe Rural Highway Engineering Co., Ltd.	84,797	92,725
Contract liabilities	*Note4*	Tianshui Tram Co., Ltd.	77,731	176,916
Contract liabilities	*Note4*	Ganzhou Shengan Cooperation Zone Construction and Development Co., Ltd.	77,494	132,281
Contract liabilities	*Note4*	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	64,193	–
Contract liabilities	*Note4*	Hunan Mengcheng Investment and Development Co., Ltd.	62,568	–
Contract liabilities	*Note4*	Wuhan Tongtong Tunnel Construction Investment Co., Ltd.	54,111	68,271
Contract liabilities	*Note4*	Guangzhou Nansha Kecheng Investment Development Co., Ltd.	53,900	–
Contract liabilities	*Note4*	Heilongjiang Beimo Expressway Wunen Section Engineering Construction Project Co., Ltd.	47,482	–
Contract liabilities	*Note4*	Hangzhou Xiasha Road Tunnel Co., Ltd.	44,607	34,094
Contract liabilities	*Note4*	Chengdu Jiaotou Kunlun Construction Engineering Co., Ltd.	41,464	38,365
Contract liabilities	*Note4*	CRCC East China (Cixi) Construction Co., Ltd.	40,645	23,530
Contract liabilities	*Note4*	Cangzhou Tieshi Urban Development Co., Ltd.	39,626	156,491
Contract liabilities	*Note4*	Jiangmen Jiangwan Nanguang Investment Development Co., Ltd.	38,565	–
Contract liabilities	*Note4*	Luoyang Guozhan New Industry Development Co., Ltd.	36,284	38,295
Contract liabilities	*Note4*	CRCC Xinjiang Jingxin Expressway Co., Ltd.	36,145	17,144
Contract liabilities	*Note4*	Tianjin Line 1 Rail Transit Operation Co., Ltd.	35,439	33,415
Contract liabilities	*Note4*	Hunan Maglev Transportation Development Co., Ltd.	32,816	32,821
Contract liabilities	*Note4*	Qingdao Metro Line 4 Co., Ltd.	32,471	1,495
Contract liabilities	*Note4*	Yuxi China Railway Infrastructure Construction Co., Ltd.	31,847	31,921

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Contract liabilities	*Note4*	Zhejiang Hangzhou Ningbo Double Line Ningbo Phase I Expressway Co., Ltd.	31,816	2,351
Contract liabilities	*Note4*	CRCC Kunlun Yunnan Real Estate Co., Ltd.	26,487	471
Contract liabilities	*Note4*	CRCC Luoyang Guozhan Development and Construction Co., Ltd	26,291	26,291
Contract liabilities	*Note4*	Lanzhou Lianhuo Qingzhong Expressway Construction and Development Co., Ltd.	25,555	21,774
Contract liabilities	*Note4*	Beijing Urban Railway Construction Rail Transit Investment and Development Co., Ltd.	25,112	25,112
Contract liabilities	*Note4*	Guizhou Wengma Railway North South Extension Co., Ltd.	24,925	45,338
Contract liabilities	*Note4*	Guangxi Urban Rail Engineering Construction Co., Ltd.	22,931	21,514
Contract liabilities	*Note4*	Shenyang Aviation Industry Park Development Co., Ltd.	21,717	10,448
Contract liabilities	*Note4*	Chongqing Monorail Transit Engineering Group Co., Ltd.	19,880	17,772
Contract liabilities	*Note4*	Xinxiang Economic Development Zone Industrial City Integration Development Co., Ltd.	19,625	19,657
Contract liabilities	*Note4*	Hangqu Railway Co., Ltd.	18,669	330
Contract liabilities	*Note4*	Sichuan Nansuitong Expressway Co., Ltd	7,683	75,582
Contract liabilities	*Note4*	CRCC Shaanxi Meitai Expressway Co., Ltd.	3,997	18,123
Contract liabilities	*Note4*	Wuhan Rail Transit Line 12 Construction and Operation Co., Ltd.	1,500	286,793
Contract liabilities	*Note4*	Sichuan Suide Expressway Co., Ltd.	635	54,858
Contract liabilities	*Note4*	Zhaotong Mayi Expressway Investment and Development Co., Ltd.	-	81,072
Contract liabilities	*Note4*	Fuzhou North Railway Station South Square Construction and Development Co., Ltd.	-	50,685
Contract liabilities	*Note4*	Others	581,304	511,898
Total			6,660,465	6,479,678
Other payables	*Note1*	Chongqing Rail Transit Line 18 Construction and Operation Co., Ltd.	4,207,086	3,032,682
Other payables	*Note1*	Shanghai Wanjinglong Real Estate Co., Ltd.	2,131,925	2,121,145
Other payables	*Note1*	CRCC Xinjiang Jingxin Expressway Co., Ltd.	1,893,192	1,161,481
Other payables	*Note1*	Shanghai Jingmao Yue Real Estate Co., Ltd.	1,509,383	1,509,383
Other payables	*Note1*	Chongqing Gaotiefa Commercial Factoring Co., Ltd.	1,422,287	717,986
Other payables	*Note1*	Tianjin Line 1 Rail Transit Operation Co., Ltd.	833,171	741,167
Other payables	*Note1*	Shanghai Jingmiaoxin Real Estate Co., Ltd.	718,606	718,606
Other payables	*Note1*	Kunming Fuyi Highway Co., Ltd.	676,964	369,000
Other payables	*Note1*	China Railway Construction Investment (Liaoning) Expressway Co., Ltd.	670,511	737,070

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Other payables	*Note1*	Shanghai Xinjinghui Real Estate Development Co., Ltd.	588,903	591,798
Other payables	*Note1*	CRCC Investment Shandong Xiaoqinghe Development Co., Ltd.	587,009	475,996
Other payables	*Note1*	CRCC Sichuan Dedu Highway Co., Ltd.	574,866	417,370
Other payables	*Note1*	China Railway Construction Ningxia Expressway Co., Ltd.	504,799	440,434
Other payables	*Note1*	Guiyang Changda Rail Transit Construction Co., Ltd.	461,209	568,647
Other payables	*Note1*	Sichuan Nansuitong Expressway Co., Ltd	460,416	68,866
Other payables	*Note1*	CRCC (Tianjin) Rail Transit Investment & Development Co., Ltd.	420,436	439,752
Other payables	*Note1*	Kunming Sanqing Highway Co., Ltd.	368,009	181,178
Other payables	*Note1*	Shanghai Xinfucheng Real Estate Development Co., Ltd.	363,563	363,563
Other payables	*Note1*	Chongqing Yusui Fuxian Highway Co., Ltd.	325,846	304,630
Other payables	*Note1*	Guizhou Tongxin Expressway Development Co., Ltd.	316,685	306,825
Other payables	*Note1*	China Railway Construction Real Estate Group Suzhou Real Estate Co., Ltd.	312,985	313,993
Other payables	*Note1*	Shanghai Xinruicheng Real Estate Development Co., Ltd.	304,807	304,807
Other payables	*Note1*	CRCC Shandong Jixu Expressway Jiyu Co., Ltd.	284,021	288,100
Other payables	*Note1*	Kunming Kunlun Shouzhi Real Estate Co., Ltd.	244,250	244,250
Other payables	*Note1*	Chengdu Wuhou District Yele Real Estate Development Co., Ltd.	219,076	219,076
Other payables	*Note1*	Wuhan Jinkun Real Estate Development Co., Ltd.	213,115	164,115
Other payables	*Note1*	China Railway Investment Wenyu (Taizhou) Railway Co., Ltd.	199,073	2,790
Other payables	*Note1*	China Railway Construction Investment (Xi'an) Meibei Comprehensive Development Co., Ltd.	198,396	58,057
Other payables	*Note1*	CRCC Shaanxi Meitai Expressway Co., Ltd.	194,594	140,948
Other payables	*Note1*	China Railway Construction Shandong Jinghu Expressway Jile Co., Ltd.	182,545	99,842
Other payables	*Note1*	Sichuan Suide Expressway Co., Ltd.	162,588	195
Other payables	*Note1*	Chongqing Tiecheng Electric Power Construction and Operation Co., Ltd.	160,795	204,448
Other payables	*Note1*	Yunnan Kunchu Highway Investment & Development Co., Ltd.	140,085	138,852
Other payables	*Note1*	CRCC Chanfa (Dongyang) Development and Construction Co., Ltd.	139,881	82,464
Other payables	*Note1*	CRCC (Guangzhou) North Railway Station Xincheng Investment Construction Co., Ltd.	138,766	202,550
Other payables	*Note1*	Guangde Railway Construction Chuncheng Rail Transit Equity Investment Partnership Enterprise (Limited Partnership)	133,904	133,904
Other payables	*Note1*	CRCC Investment Baoding Urban Development and Construction Co., Ltd.	129,025	170,277
Other payables	*Note1*	Taiyuan Rongchuang Huifeng Real Estate Co., Ltd.	119,491	119,491
Other payables	*Note1*	Guangzhou Hongxuan Real Estate Co., Ltd.	118,489	118,489
Other payables	*Note1*	China Railway Construction Investment Jilin Changtai Expressway Co., Ltd.	111,491	133,320

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Other payables	*Note1*	China Railway Construction Investment (Nanchang) Municipal Investment Co., Ltd.	109,665	177,783
Other payables	*Note1*	China Railway Construction Investment Jingji Baoding Construction Co., Ltd.	106,947	343,497
Other payables	*Note1*	Gansu Gonghanglv Lanyonglin Expressway Project Management Co., Ltd.	104,073	64,417
Other payables	*Note1*	China Railway Construction Investment Baoding Lianchi Construction Co., Ltd.	95,569	150,242
Other payables	*Note1*	Guizhou Guijin Expressway Co., Ltd.	89,538	89,606
Other payables	*Note1*	Chengdu Jiaotou Guishancheng Industrial Co., Ltd.	87,240	87,240
Other payables	*Note1*	Nanjing Jingrui Real Estate Investment Co., Ltd.	86,266	86,266
Other payables	*Note1*	China Railway Construction Investment Fuchunwan (Hangzhou) Urban Development Co., Ltd.	85,955	120,442
Other payables	*Note1*	Yangzhou Wantou Jade Feature Town Co., Ltd.	84,091	61,450
Other payables	*Note1*	Baoding Hongmao Real Estate Development Co., Ltd.	83,673	69,393
Other payables	*Note1*	Chengdu Zhongwan Yixing Real Estate Co., Ltd.	72,520	72,520
Other payables	*Note1*	Yunnan Luxun Highway Co., Ltd.	69,488	71,485
Other payables	*Note1*	Suzhou Jinghong Real Estate Development Co., Ltd.	68,603	62,203
Other payables	*Note1*	CRCC Kunlun Yunnan Real Estate Co., Ltd.	65,999	65,563
Other payables	*Note1*	CRCC Real Estate Co., Ltd.	64,349	90,877
Other payables	*Note1*	Chengdu Yueran Real Estate Co., Ltd.	63,700	39,200
Other payables	*Note1*	Nanjing Jingsheng Real Estate Development Co., Ltd.	63,363	63,187
Other payables	*Note1*	Chongqing Sci Tech Innovation High tech Park Construction and Operation Co., Ltd.	62,201	62,251
Other payables	*Note1*	Guangzhou Baorui Real Estate Development Co., Ltd.	61,859	61,859
Other payables	*Note1*	China Railway Construction (Weinan) Chengwei Expressway Co., Ltd.	61,156	24,201
Other payables	*Note1*	Changzhou Jingrui Real Estate Development Co., Ltd.	60,761	60,761
Other payables	*Note1*	Qingdao Blue Silicon Valley Intercity Rail Transit Co., Ltd.	60,419	89,395
Other payables	*Note1*	Guangzhou Hongjia Real Estate Development Co., Ltd.	59,856	56,108
Other payables	*Note1*	Dalian Wancheng Zhiguang Real Estate Co., Ltd.	59,852	59,852
Other payables	*Note1*	Shijiazhuang Jiatai Pipe Gallery Operation Co., Ltd.	59,530	78,524
Other payables	*Note1*	Sichuan Da Nei Expressway Co., Ltd.	57,807	5,937
Other payables	*Note1*	China Railway Construction Corporation	56,262	56,292
Other payables	*Note1*	BeiJing Xintiexinjian Investment Co., Ltd.	52,940	392,996
Other payables	*Note1*	China Railway Construction Group Jinhua Urban Development Co., Ltd.	51,000	51,002
Other payables	*Note1*	Shanghai Hongjun Real Estate Development Co., Ltd.	51,000	51,000
Other payables	*Note1*	Hangzhou Jingjiang Real Estate Development Co., Ltd.	50,000	50,000
Other payables	*Note1*	Chongqing Tiefa Jianxin Highway Co., Ltd.	45,600	704,161
Other payables	*Note1*	Changchun Hengzhuo Real Estate Development Co., Ltd.	38,710	38,710

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Other payables	*Note1*	Hohhot Metro Line 2 Construction & Management Co., Ltd.	34,669	29,548
Other payables	*Note1*	Guangzhou Jingye Real Estate Development Co., Ltd.	34,024	34,024
Other payables	*Note1*	CRCC Nanjing Jiangbei Underground Space Construction and Development Co., Ltd.	32,072	52,465
Other payables	*Note1*	CRCC Financial Leasing Co., Ltd.	31,609	28,771
Other payables	*Note1*	Ningbo Jingsheng Real Estate Co., Ltd.	24,000	24,004
Other payables	*Note1*	CRCC JinLi Asset Management Co., Ltd.	23,473	27,046
Other payables	*Note1*	Xi'an China Railway Jingmao Real Estate Development Co., Ltd.	23,161	23,164
Other payables	*Note1*	Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	21,381	21,711
Other payables	*Note1*	Hefei Jingshang Real Estate Development Co., Ltd.	15,605	44,297
Other payables	*Note1*	Ningbo Runsheng Real Estate Development Co., Ltd.	11,712	447,082
Other payables	*Note1*	Fuzhou Donglin Ring Expressway Co., Ltd.	7,485	83,643
Other payables	*Note1*	CRCC Gansu Zhangbian Highway Co., Ltd.	5,078	26,876
Other payables	*Note1*	Shijiazhuang Jiasheng Pipe Gallery Engineering Co., Ltd.	3,303	28,556
Other payables	*Note1*	Liaocheng Rongxing Construction Investment Co., Ltd.	221	50,002
Other payables	*Note1*	Gansu Gonghanglv Tianzhuang Highway Management Co., Ltd.	35	99,477
Other payables	*Note1*	Zhangjiakou Hong'ao Infrastructure Construction and Development Co., Ltd.	–	104,664
Other payables	*Note1*	Others	1,360,466	1,635,562
Total			26,660,529	24,726,859
Long-term loans	*Note6*	China Railway Construction Corporation	2,451,816	1,951,816
Long-term payables (including current portion)		CRCC Financial Leasing Co., Ltd.	1,461,075	350,717
Long-term payables (including current portion)		Gansu Railway Comprehensive Engineering Survey Institute Co., Ltd.	8,084	10,448
Long-term payables (including current portion)		China Railway Construction Ningxia Expressway Co., Ltd.	2,992	49,392

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Major amounts due from/to related parties (Continued)

(2) Accounts payable (Continued)

	Related party	30 June 2026	31 December 2025
Long-term payables (including current portion)	Xuzhou Jiaokong Supply Chain Co., Ltd.	2,849	15,687
Long-term payables (including current portion)	Yunnan Kunchu Highway Investment & Development Co., Ltd.	2,425	1,968
Long-term payables (including current portion)	Wuhan Green Shade Ecological Environment Technology Co., Ltd.	2,080	1,798
Long-term payables (including current portion)	Taiyuan Rail Transit Line 1 Construction & Operation Co., Ltd.	1,582	557,060
Long-term payables (including current portion)	Ningxia Guoyun Tiejian High-Tech Materials Technology Co., Ltd.	1,394	48
Long-term payables (including current portion)	Chongqing Tiefa Jianxin Highway Co., Ltd.	1,257	3,045
Long-term payables (including current portion)	China Railway Construction Sichuan Dejian Expressway Co., Ltd.	830	111,533
Long-term payables (including current portion)	CRCC Hunan Expressway Co., Ltd.	709	90,954
Long-term payables (including current portion)	Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	663	1,525
Long-term payables (including current portion)	China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	576	576

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

	Related party	30 June 2026	31 December 2025
Long-term payables (including current portion)	Guangxi Urban Rail Engineering Construction Co., Ltd.	396	4,865
Long-term payables (including current portion)	Wuhan Zhaorui Real Estate Co., Ltd.	265	171
Long-term payables (including current portion)	Tianjin Line 1 Rail Transit Operation Co., Ltd.	261	211
Long-term payables (including current portion)	Gansu Huantong Engineering Test and Inspection Co., Ltd.	106	106
Long-term payables (including current portion)	CRCC JinLi Asset Management Co., Ltd.	46	445
Long-term payables (including current portion)	CRCC Sichuan Dedu Highway Co., Ltd.	43	131,780
Long-term payables (including current portion)	Kunming Tiexin Construction Engineering Management Co., Ltd.	40	844
Long-term payables (including current portion)	Others	224,088	1,182,599
Total		1,711,761	2,515,772

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Lease liabilities		CRCC Financial Leasing Co., Ltd.	2,411,115	2,794,529
Lease liabilities		Shandong High-speed Railway Construction Equipment Co., Ltd.	66,049	–
Lease liabilities		China Railway Construction Corporation	39,396	–
Lease liabilities		Others	126,380	70,859
Total			2,642,940	2,865,388
Deposits accepted	*Note5*	CRCC JinLi Asset Management Co., Ltd.	591,915	725,448
Deposits accepted	*Note5*	China Railway Construction Corporation	373,774	370,005
Deposits accepted	*Note5*	China-Africa Lekkil Investment Co., Ltd.	155,240	121,802
Deposits accepted	*Note5*	Xinjiang Railway Survey and Design Institute Co., Ltd.	91,194	134,632
Deposits accepted	*Note5*	Xi'an Railway First Institute Engineering Consulting and Management Co., Ltd.	74,600	69,781
Deposits accepted	*Note5*	Guangzhou Huangpu District Light Rail Line 2 Construction Investment Co., Ltd.	60,202	–
Deposits accepted	*Note5*	Liuzhou Beicheng China Railway Project Management Co., Ltd.	53,365	53,534
Deposits accepted	*Note5*	Guangzhou ShengDu Investment Development Co., Ltd.	52,984	28,780
Deposits accepted	*Note5*	Chongqing Daishan Construction and Development Co., Ltd.	50,800	50,659
Deposits accepted	*Note5*	China Railway First Institute Group Southern Engineering Consulting and Supervision Co., Ltd.	46,529	42,072
Deposits accepted	*Note5*	CRCC Financial Leasing Co., Ltd.	22,745	10,039
Deposits accepted	*Note5*	BeiJing Xintiexinjian Investment Co., Ltd.	16,649	8,230
Deposits accepted	*Note5*	Qinghai Railway Engineering Survey Co., Ltd.	14,738	15,395
Deposits accepted	*Note5*	Baoding Hongmao Real Estate Development Co., Ltd.	10,644	30,572
Deposits accepted	*Note5*	Liuzhou North City China Railway Beijin Project Management Co., Ltd.	10,133	30,304

XI. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. *Major amounts due from/to related parties (Continued)*

(2) Accounts payable (Continued)

		Related party	30 June 2026	31 December 2025
Deposits accepted	*Note5*	Hangzhou Jiandejiang Investment Co., Ltd.	10,009	16,014
Deposits accepted	*Note5*	Jining China Railway Shengtong Urban Construction and Development Co., Ltd.	–	91,558
Deposits accepted	*Note5*	Others	69,855	73,270
Total			1,705,376	1,872,095

Note 1: The amounts due from/to related parties were interest-free, unsecured, and had no fixed terms of repayment.

Note 2: The amounts due from related parties were loans for cooperative development projects of the Group's real estate development operation segments.

Note 3: The amounts due from the controlling shareholder and associates were borrowings from CRCC Finance Company Limited.

Note 4: The amounts were mainly advances from related parties and were interest-free.

Note 5: The amounts due to the Group's related parties were deposits in CRCC Finance Company Limited.

Note 6: The amounts were appropriations from the Ministry of Finance to the controlling shareholder and considered as the entrusted loans granted to the Group by the controlling shareholder. The interest rate of such entrusted loans was determined by the Loan Prime Rate published by National Interbank Funding Center.

XII. COMMITMENTS AND CONTINGENCIES

1. *Commitments*

	30 June 2026	31 December 2025
Capital commitments	**6,797,557**	2,760,385
Investment commitments	**34,124,601**	40,400,922
Total	**40,922,158**	43,161,307

2. *Contingencies*

The Group was involved in a number of legal proceedings and claims against it in the ordinary course of business. Provision has been made for the probable losses to the Group on those legal proceedings and claims when management can reasonably estimate the outcome of the legal proceedings and claims taking into account legal advice. No provision has been made for pending legal proceedings and claims when the outcome of the legal proceedings and claims cannot be reasonably estimated or management believes that the probability of loss is remote.

The Group had issued guarantees to banks in respect of the banking facilities granted to the following parties:

	30 June 2026	31 December 2025
Provide guarantees for Associates	**1,362,877**	1,432,882
Provide guarantees for other entities	**66,183**	66,183
Total	**1,429,060**	1,499,065

The above guarantees exclude guarantees in respect of the banking facilities other than mortgages. As at 30 June 2026, the Group's guarantees (excluding guarantees in respect of the banking facilities other than mortgages) amounted to RMB1,429,060,000 (31 December 2025: RMB1,499,065,000), and the guarantees in respect of mortgages amounted to RMB18,788,854,000 (31 December 2025: RMB21,265,952,000). As at 30 June 2026, the guarantees rarely defaulted payments to the banks, thus the Group considered the risks related to the guarantees were low and the fair value was immaterial.

The above guarantees in respect of mortgages were granted to the purchasers of the Group's properties and secured by the mortgages.

XIII. EVENTS AFTER THE END OF THE REPORTING PERIOD

As at 30 June, the Group has no material events after the reporting period that require disclosure.

XIV. OTHER SIGNIFICANT EVENTS

1. Segment reporting

(1) Operating segments

For management purposes, the Group is organised into the following five operating segments based on their products and services:

(1) The construction operations segment engages in the construction of infrastructure such as railways, highways, metropolitan railways and real estate projects;

(2) The plan, design and consultancy operations segment engages in the provision of plan, design and consultancy services for civil engineering and infrastructure construction, such as railways, highways and urban rail transport, etc.;

(3) The manufacturing operations segment engages in the research and development, production and sale of mechanical equipment, such as the large railway track maintenance machinery, tunnel boring machinery as well as the manufactures of track system, etc.;

(4) The real estate development operations segment engages in the development, construction and sale of residential properties and commercial properties; and

(5) The other business operations segment mainly comprises trade and logistics, finance and insurance and highway operation service.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss. The Group does not manage income tax based on operating segments and hence income tax has not been allocated to the operating segments.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment reporting (Continued)

(1) Operating segments (Continued)

The transfer pricing between segments shall be determined with reference to the prices used for third-party sales or provision of services.

For the six months end 30 June 2026

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
Revenue from external customers	385,013,025	6,353,046	9,297,972	13,252,270	14,521,661	–	428,437,974
Inter- segment sales	3,173,077	5,092	2,209,646	–	18,929,249	(24,317,064)	–
Share of profits/(losses) of joint ventures and associates	285,942	5,749	95,145	(38,219)	502,974	–	851,591
Impairment of credit losses and impairment losses on assets	(1,800,254)	(217,333)	(83,432)	(1,626,598)	(86,583)	–	(3,814,200)
Depreciation and amortisation	(10,611,997)	(146,042)	(636,843)	(6,032)	(497,866)	–	(11,898,780)
Profit before tax	9,125,396	1,394,318	911,670	(2,209,100)	2,727,107	153,008	12,102,399
Other disclosures:							
Increase in other non- current assets other than long- term equity investments	13,512,986	95,093	359,040	44,662	2,460,906	–	16,472,687
30 June 2026							
Segment assets	1,659,637,576	36,658,035	68,377,100	324,391,206	511,359,999	(433,635,155)	2,166,788,761
Segment liabilities	1,387,616,713	9,446,159	35,364,382	253,325,317	423,315,231	(383,155,160)	1,725,912,642
Other disclosures:							
Long- term equity investments in joint ventures and associates	133,277,427	3,834,259	7,043	6,823,745	6,984,254	–	150,926,728

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. *Segment reporting (Continued)*

(1) Operating segments (Continued)

For the six months ended June 30, 2025

	Construction operations	Plan, design and consultancy operations	Manufacturing operations	Real estate development operations	Other business operations	Eliminations and adjustments	Total
For the six months end 30 June 2025							
Revenue from external customers	430,364,856	6,737,848	9,323,287	20,755,405	22,017,649	–	489,199,045
Inter- segment sales	4,234,701	5,328	2,502,746	–	18,700,402	(25,443,177)	–
Share of profits/(losses) of joint ventures and associates	122,052	(40,565)	102,614	(138,631)	(577,609)	–	(532,139)
Impairment of credit losses and impairment losses on assets	(1,645,935)	(171,640)	(121,022)	(149,463)	(317,685)	–	(2,405,745)
Depreciation and amortisation	(11,126,745)	(247,091)	(643,217)	(144,051)	(873,072)	–	(13,034,176)
Profit before tax	11,190,183	1,473,544	1,228,867	1,651	1,374,571	84,638	15,353,454
Other disclosures:							
Increase in other non- current assets other than long- term equity investments	10,210,180	171,491	264,899	228,082	7,016,273	–	17,890,925
21 December 2025							
Segment assets	1,582,309,800	39,019,762	64,337,265	335,728,837	507,239,610	(444,810,065)	2,083,825,209
Segment liabilities	1,325,915,907	11,511,558	32,764,288	265,305,029	423,385,974	(402,012,402)	1,656,870,354
Other disclosures:							
Long- term equity investments in joint ventures and associates	126,578,825	4,807,733	2,354,936	11,247,268	4,294,518	–	149,283,280

Note 1: Segment assets do not include deferred tax assets of RMB14,114,148,000 (31 December 2025: RMB13,628,948,000) and advance payment of corporate income tax of RMB2,622,291,000 (31 December 2025: RMB2,271,864,000), as the Group does not manage these assets based on operating segments. In addition, inter-segment receivables of RMB450,371,594,000 (31 December 2025: RMB460,710,877,000) are eliminated on consolidation.

Note 2: Segment liabilities do not include deferred tax liabilities of RMB1,764,166,000 (31 December 2025: RMB1,632,453,000) and corporate income tax payable of RMB2,937,643,000 (31 December 2025: RMB3,670,441,000) as the Group does not manage these liabilities based on operating segments. In addition, inter-segment payables of RMB387,856,969,000 (31 December 2025: RMB407,315,296,000) are eliminated on consolidation.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. *Segment reporting (Continued)*

(2) Other information

information of product and service

Revenue from external customers

Item	For the six months end 30 June 2026	For the six months end 30 June 2025
Construction operations	**385,013,025**	430,364,856
Real estate development operations	**13,252,270**	20,755,405
Manufacturing operations	**9,297,972**	9,323,287
Plan, design and consultancy operations	**6,353,046**	6,737,848
Other business operations	**14,521,661**	22,017,649
Total	**428,437,974**	489,199,045

Geographical information

Revenue from external customers

Item	For the six months end 30 June 2026	For the six months end 30 June 2025
Mainland China	**388,679,792**	452,109,573
Outside Mainland China	**39,758,182**	37,089,472
Total	**428,437,974**	489,199,045

In the geographical information above, revenue from external customers is based on the locations of the customers.

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. *Segment reporting (Continued)*

(2) Other information(Continued)

Total non-current assets

Item	30 June 2026	31 December 2025
Mainland China	**427,808,144**	414,838,395
Outside Mainland China	**14,901,502**	15,025,992
Total	**442,709,646**	429,864,387

Non-current asset information above is based on the locations of the non-current assets, excluding financial assets and deferred tax assets.

Information about major customers

For the six months ended June 30, 2026, revenue from major customers was approximately RMB90,923,144,000, representing approximately 21.22% of the total operating revenue for the six months ended June 30, 2026.

The Group's major customer is a wholly state-owned enterprise and its subsidiaries as well as state-controlled companies. Apart from this customer, no other single customer accounted for more than 10% of the Group's total revenue. Due to the Group's relevant qualifications, this major customer is one of the clients to whom the Group provides large-scale project construction services, design consulting services, and sales of large machinery and equipment and parts. Therefore, management believes that this does not give rise to a risk of dependence on a major customer.

2. *Other financial information*

(1) Pension scheme contributions

	For the six months end 30 June 2026	For the six months end 30 June 2025
Pension scheme contributions (defined contribution plans)	**4,299,598**	4,354,991
Pension scheme costs (defined benefit plans)	**4,329**	2,514

As at 30 June 2026, there were no forfeited contributions available to reduce the Group's contributions to its pension schemes in the next year (31 December 2025: Nil).

XIV. OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Other financial information (Continued)

(2) Directors' remuneration

	For the six months end 30 June 2026	For the six months end 30 June 2025
Directors' remuneration	1,342	1,371

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Trade receivables

(1) An aging analysis of trade receivables is listed as follows:

	30 June 2026	31 December 2025
Within 1 year	2,426,671	3,283,689
1 to 2 years	41,086	114,387
2 to 3 years	89,007	97,683
Over 3 years	48,799	3,045
Subtotal	2,605,563	3,498,804
Less: Allowance for credit losses	53,215	45,747
Total	2,552,348	3,453,057

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Trade receivables (Continued)

(2) Trade receivables and allowance for credit losses by category are listed as follows:

30 June 2026

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	2,605,563	100	53,215	2.04	2,552,348

31 December 2025

	Gross carrying amount		Allowance for credit losses		Carrying amount
	Amount	Percentage (%)	Amount	Percentage (%)	
Allowance for credit losses assessed by credit risk portfolio	3,498,804	100.00	45,747	1.31	3,453,057

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. *Trade receivables (Continued)*

(2) Trade receivables and allowance for credit losses by category are listed as follows: (Continued)

As at 30 June 2026, trade receivables whose allowance for credit losses were assessed by credit risk portfolio are listed as follows:

	Gross carrying amount	Allowance for credit losses	Percentage of Allowance for credit losses (%)
Within 1 year	2,426,671	22,187	0.91
1 to 2 years	41,086	4,235	10.31
2 to 3 years	89,007	12,242	13.75
Over 3 years	48,799	14,551	29.82
Total	2,605,563	53,215	2.04

(3) As at 30 June 2026, top five entities with the largest balances of trade receivables and contract assets are listed as follows:

	Closing balance of trade receivables	Closing balance of contract assets	Closing balance of trade receivables and contract assets	Percentage of total closing balance of trade receivables and contract assets (%)	Closing balance of allowance for credit losses
Company 1	884,646	279,185	1,163,831	21.26	11,638
Company 2	355,027	288,857	643,884	11.76	6,439
Company 3	278,050	91,306	369,356	6.75	1,847
Company 4	131,845	180,167	312,012	5.70	30,554
Company 5	260,353	49,384	309,737	5.66	3,097
Total	1,909,921	888,899	2,798,820	51.13	53,575

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables

(1) An aging analysis of other receivables is listed as follows:

	30 June 2026	31 December 2025
Within 1 year	12,149,224	28,002,185
1 to 2 years	6,372,242	24
2 to 3 years	9,658	18,713
Over 3 years	870,197	867,108
Subtotal	19,401,321	28,888,030
Less: Allowance for credit losses	1,318	1,326
Total	19,400,003	28,886,704

(2) Other receivables from the five largest customers are listed as follows:

	Amount	Percentage of total other receivables (%)	Nature	Aging	Closing balance of allowance for credit losses
China Railway Construction Real Estate Group Co., Ltd.	8,100,000	41.75	Accounts receivable from related parties	Within one year	–
China Railway Construction Investment Group Co., Ltd.	700,118	3.61	Accounts receivable from related parties	1 to 2 years, 3 to 4 years, 5 years or more	–
CRCC International Investment Co., Ltd.	233,341	1.20	Accounts receivable from related parties	1 to 2 years	–
China Railway 22th Bureau Group Co., Ltd.	135,263	0.70	Accounts receivable from related parties	1 to 2 years, 5years or more	–
China Railway 19th Bureau Group Co., Ltd.	35,637	0.18	Accounts receivable from related parties	Within one year	–
Total	9,204,359	47.44			–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. *Long-term equity investments*

The investment situation in the subsidiary is as follows:

		Changes for the year			
	Carrying amount at 30 June 2025	Transfer in/ Increase in investment	Decrease in investment	**Carrying Amount at 30 June 2026**	Impairment allowance
China Railway 11th Bureau Group Co., Ltd.	4,693,913	–	–	**4,693,913**	–
China Railway 12th Bureau Group Co., Ltd.	1,957,277	–	–	**1,957,277**	–
China Railway Construction Bridge Engineering Bureau Group Co., Ltd.	3,160,480	–	–	**3,160,480**	–
China Railway 14th Bureau Group Co., Ltd.	2,130,105	–	–	**2,130,105**	–
China Railway 15th Bureau Group Co., Ltd.	3,029,742	–	–	**3,029,742**	–
China Railway 16th Bureau Group Co., Ltd.	4,296,112	–	–	**4,296,112**	–
China Railway 17th Bureau Group Co., Ltd.	2,235,339	–	–	**2,235,339**	–
China Railway 18th Bureau Group Co., Ltd.	1,103,234	–	–	**1,103,234**	–
China Railway 19th Bureau Group Co., Ltd.	4,460,638	–	–	**4,460,638**	–
China Railway 20th Bureau Group Co., Ltd.	1,615,144	–	–	**1,615,144**	–
China Railway 21st Bureau Group Co., Ltd.	2,057,251	–	–	**2,057,251**	–
China Railway 22nd Bureau Group Co., Ltd.	1,295,286	–	–	**1,295,286**	–
China Railway 23rd Bureau Group Co., Ltd.	2,360,004	–	–	**2,360,004**	–
China Railway 24th Bureau Group Co., Ltd.	1,789,917	–	–	**1,789,917**	–
China Railway 25th Bureau Group Co., Ltd.	2,082,747	–	–	**2,082,747**	–
China Railway Construction Group Co., Ltd.	5,568,346	–	–	**5,568,346**	–
China Railway Construction Real Estate Group Co., Ltd.	7,246,874	–	–	**7,246,874**	–
China Railway Siyuan Survey and Design Institute Group Co., Ltd.	1,747,809	–	–	**1,747,809**	–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. *Long-term equity investments (Continued)*

The investment situation in the subsidiary is as follows: (Continued)

		Changes for the year			
	Carrying amount at 30 June 2025	Transfer in/ Increase in investment	Decrease in investment	**Carrying Amount at 30 June 2026**	Impairment allowance
China Railway Fifth Survey and Design Institute Group Co., Ltd.	338,196	–	–	**338,196**	–
China Railway Shanghai Design Institute Group Co., Ltd.	267,624	–	–	**267,624**	–
China Railway Material Group Co., Ltd.	3,474,038	–	–	**3,474,038**	–
CRCC Harbour and Channel Engineering Bureau Group Co., Ltd.	2,435,891	–	–	**2,435,891**	–
CRCC Finance Company Limited	8,460,000	–	–	**8,460,000**	–
China Railway Construction Corporation (International) Limited	3,012,602	–	–	**3,012,602**	–
China Railway Urban Construction Group Co., Ltd.	2,000,000	–	–	**2,000,000**	–
CRCC Kunlun Investment Group Co., Ltd.	6,600,000	3,000,000	–	**9,600,000**	–
Beijing CRCC Tianrui Machinery Equipment Co., Ltd.	2,000,000	–	–	**2,000,000**	–
China Civil Engineering Construction Corporation	2,946,507	500,000	–	**3,446,507**	–
China Railway Construction Electrification Bureau Group Co., Ltd.	1,105,530	–	–	**1,105,530**	–
China Railway Construction Heavy Industry Corporation Limited	4,028,004	–	–	**4,028,004**	–
CRCC High- Tech Equipment Corporation Limited	1,714,796	–	–	**1,714,796**	–
China Railway Construction Business Management Co., Ltd.	11,492	–	–	**11,492**	–
China Railway Construction Investment Group Co., Ltd.	13,738,793	–	–	**13,738,793**	–
China Railway Construction South Construction Co., Ltd.	1,000,000	–	–	**1,000,000**	–
Railway Construction Northwest Investment & Construction Co., Ltd.	–	–	–	**–**	–
China Railway Construction City Construction Investment Co., Ltd.	2,000,000	–	–	**2,000,000**	–
China Railway Construction Eastern China Investment &Construction Co., Ltd.	2,000,000	–	–	**2,000,000**	–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. *Long-term equity investments (Continued)*

The investment situation in the subsidiary is as follows: (Continued)

		Changes for the year			
	Carrying amount at 30 June 2025	Transfer in/ Increase in investment	Decrease in investment	**Carrying Amount at 30 June 2026**	Impairment allowance
CRCC International Investment Co., Ltd.	3,000,000	–	–	**3,000,000**	–
China Railway Construction Development Group Co., Ltd.	2,498,691	–	–	**2,498,691**	–
CRCC North Investment & Construction Co., Ltd.	200,000	–	–	**200,000**	–
CRCC Yellow River Investment &Construction Co., Ltd.	1,110,000	–	–	**1,110,000**	–
China Railway First Survey and Design Institute Group Co., Ltd.	693,730	–	–	**693,730**	–
China Railway Construction Capital Holdings Group Co., Ltd.	3,579,870	40,000	–	**3,619,870**	–
China Railway Construction Treasury Management (Hong Kong) Co., Ltd	4,184	–	–	**4,184**	–
CRCC South China Investment Co., Ltd.	590,310	–	–	**590,310**	–
China Railway Construction Southwest Investment Co., Ltd.	100,000	–	–	**100,000**	–
CRCC Southern Construction and Investment Co., Ltd.	1,000,000	–	–	**1,000,000**	–
China Railway Construction Xiong'an Investment Development Co., Ltd.	1,000,000	–	–	**1,000,000**	–
China Railway Construction Transportation Operation Group Co., Ltd.	1,000,000	–	–	**1,000,000**	–
China Railway Construction Technology Innovation (Shenzhen) Co., Ltd.	200,000	–	–	**200,000**	–
China Railway Construction Science and Technology Research Institute Co., Ltd.	–	200,000	–	**200,000**	–
Total	124,940,476	3,740,000	–	**128,680,476**	–

XV. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. *Revenue and cost of sales*

(1) Revenue and Costs are presented as follows:

	For the six months end 30 June 2026		For the six months end 30 June 2025	
	Revenue	Cost	Revenue	Cost
Principal operations	1,659,614	1,642,107	3,268,342	3,189,778
Other operations	102,048	–	70	–
Total	1,761,662	1,642,107	3,268,412	3,189,778

5. *Investment income*

	For the six months end 30 June 2026	For the six months end 30 June 2025
Investment income received from long-term equity investments under cost method	7,552,080	7,805,388
Investment income received from other equity instruments	2,599	9,563
Total	7,554,679	7,814,951

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Wanchai, Hong Kong

Registered Office of the Guarantor
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CMU LODGING AND PAYING AGENT, REGISTRAR AND TRANSFER AGENT

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